

PAPER MONEY

OFFICIAL JOURNAL OF THE SOCIETY OF PAPER MONEY COLLECTORS

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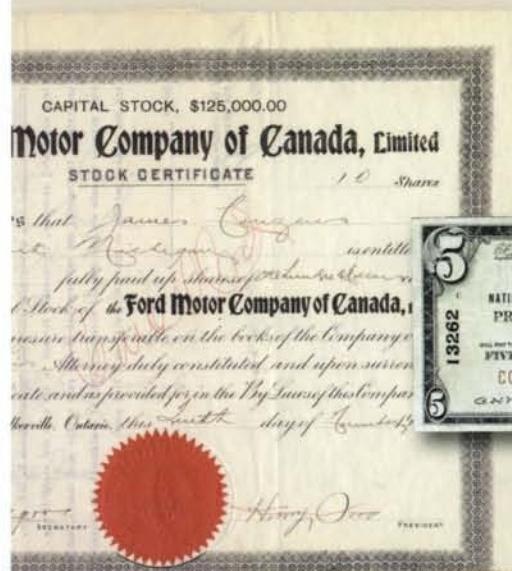
SEPTEMBER/OCTOBER 2009



Q. David Bowers writes about
Black Charter Nationals
of the First National Bank of
Central City, Colorado Territory

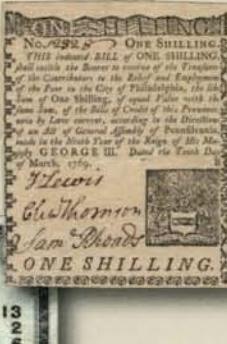


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Society of Paper Money Collectors



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signed by a parent or guardian. Junior membership numbers will be preceded by the letter "j," which will be removed upon notification to the Secretary that the member has reached 18 years of age. Junior members are not eligible to hold office or vote.

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Central City, Colorado Territory and the famous First National Bank \$5 'Black Charter' Notes

by Q. David Bowers ©

FOR NATIONAL BANK NOTES OF THE PERIOD FROM 1863 to 1935, among the most curious and interesting are the \$5 "Black Charter" notes issued by the First National Bank of Central City, Colorado Territory (Charter #2129), in a gold-mining camp high in the Rocky Mountains. The Black Charters are very rare as a class, as only a few banks issued them. The Central City notes are the only ones with a territorial imprint, although the notes known to exist today were issued after Colorado became a state in 1876.

This is the story of that bank and its notes, and its competitors (most of whom issued collectible checks and drafts, all scarce today), prefaced by a sketch of Central City, itself.

"The Richest Square Mile on Earth"

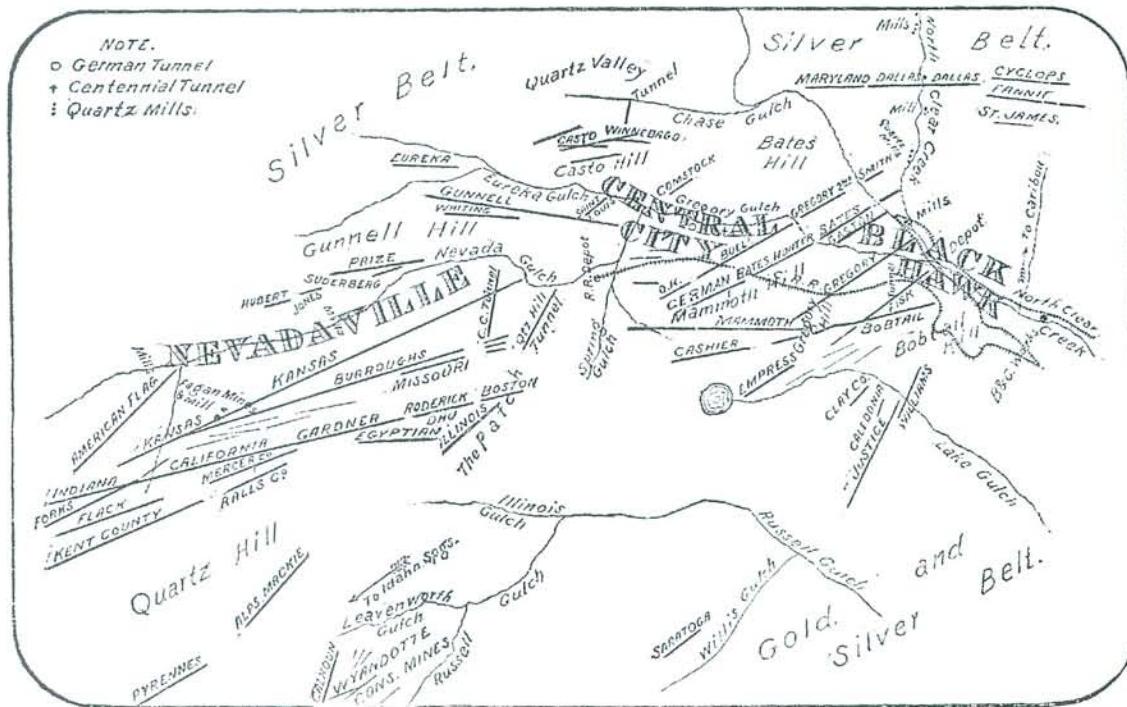
Introduction

The Arcadians, saith the writer of old, regarded themselves as the most ancient people in Greece. Their habits were simple; and the quiet and happiness of their life among the mountains; their passionate fondness for music, in which they excelled; their delight in dancing; which they practiced assiduously; and their generous hospitality, for which they were noted, made them pass among the ancients for favorites of the gods; and although they were a brave and martial people, the name of their land became the synonym for a land of peace, simple pleasures, and untroubled quiet.

So began *Echoes from Arcadia*, a book of reminiscences published by Frank D. Young, the founding cashier of the First National Bank of Central City in Colorado Territory.

Billing the gold camp of Central City as Arcadia raised some eyebrows among later historians, who approached the settlement's history from a different perspective. Caroline Bancroft in *The Gulch of Gold, A History of Central City, Colorado*, emphasized some of the more rough and tumble aspects, successes but





Above: The Gilpin County mining district showing the names of many mines and claims as well as the communities of Nevadaville, Central City, and Blackhawk.

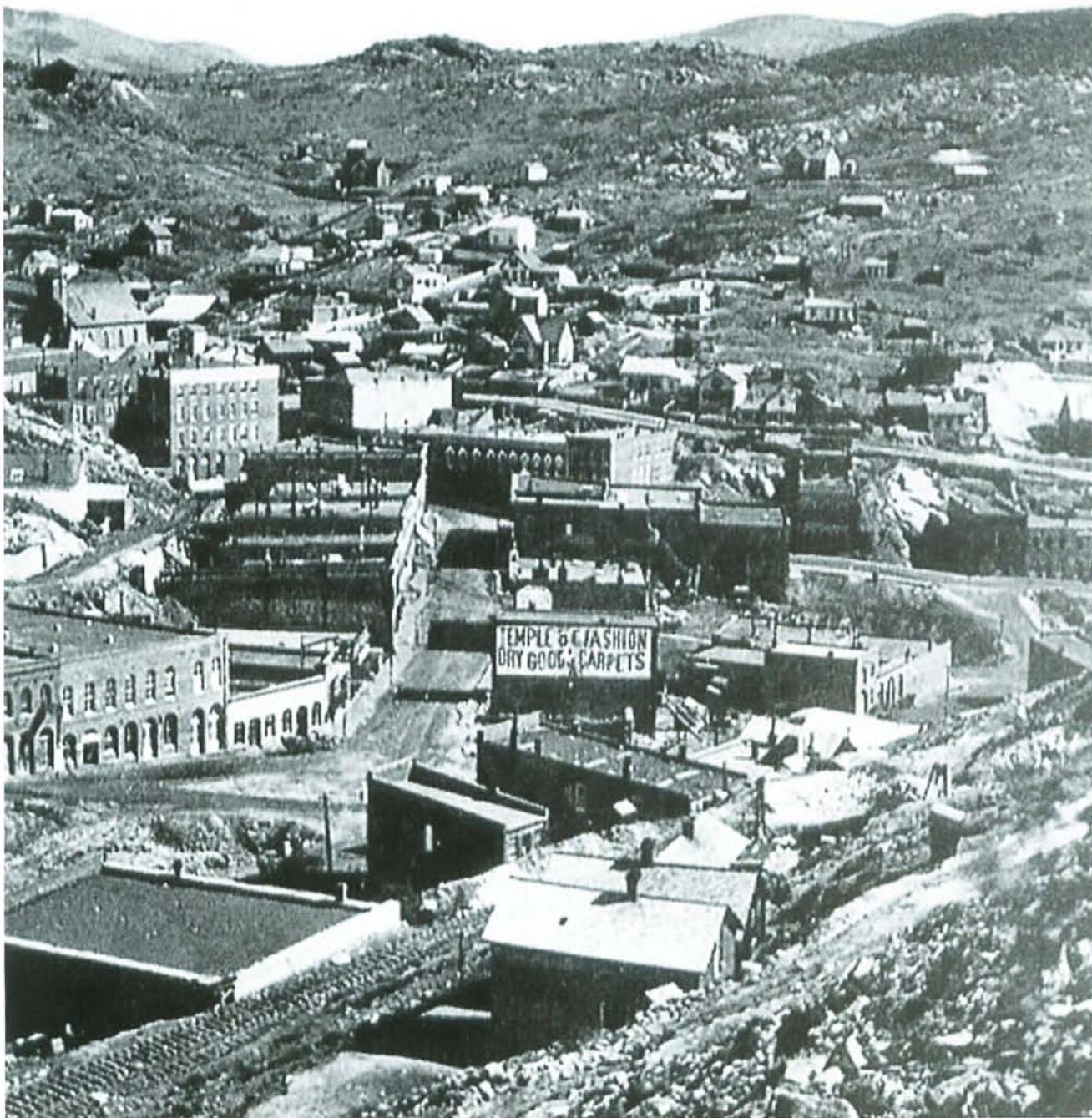
Below: Bird's eye view of Black Hawk, adjacent to and east of Central City. The city had many stamping mills and ore processing plants and a small business district.

also failures, and more—a story of the people, some of whom endured great challenges and difficulties. The third notable historian of the district, H. William Axford, in *Gilpin County Gold*, featured the business angle, following the career of Peter McFarlane, and along the way telling of the trials, and tribulations of life in the gold camp. Reflecting upon Young's comments, Axford was quick to point out that designating the city as an equivalent of Arcadia was a myth. It was anything but, in his view.

Actually, to cashier Young, Central City was indeed Arcadia. He and his attractive wife were active in social affairs, music, and theatre. He accentuated the positive, as the old song goes. The negative was there as well, but he chose to look on the brighter side.



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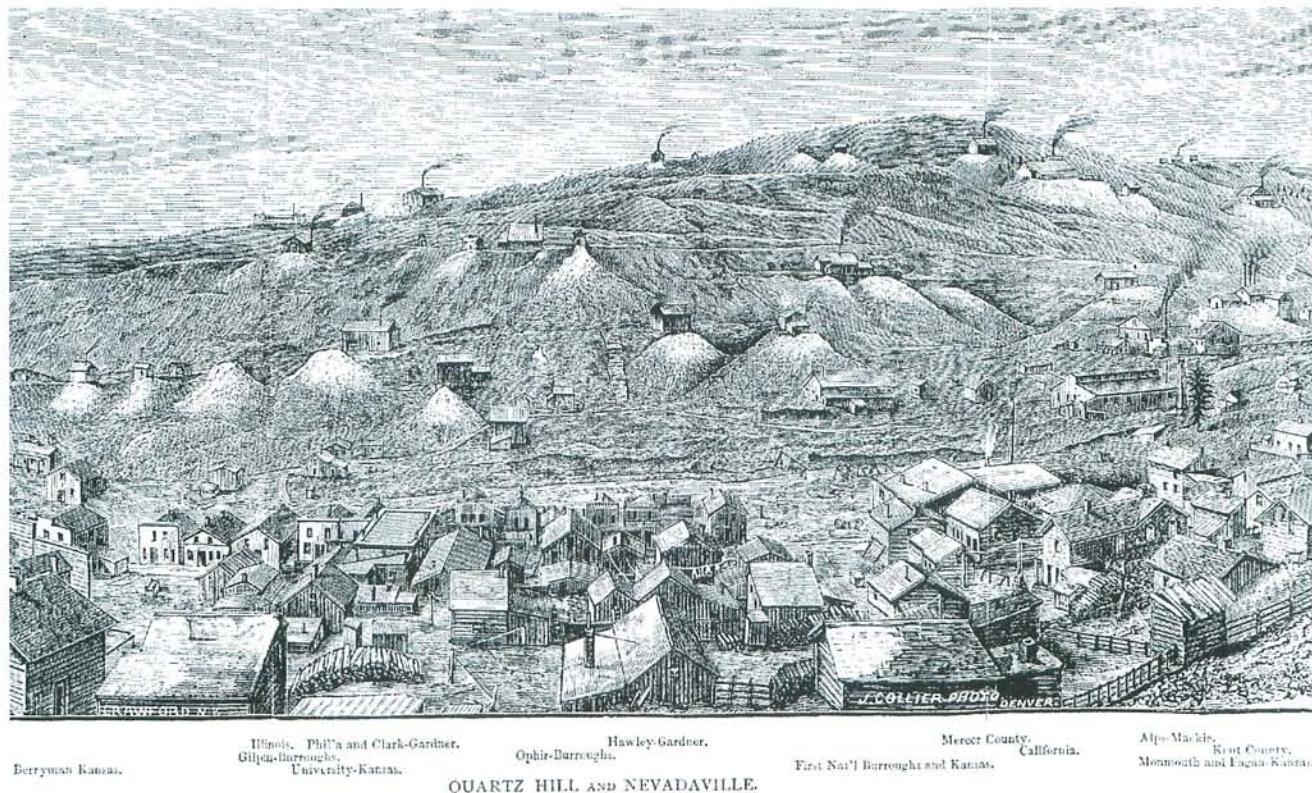


In a way, the same is true of other stories of Eldorado. San Francisco, epicenter of the Gold Rush in California, had its low life, but also its high life, tents as well as mansions. A half dozen different people describing the city by the Golden Gate could give as many different perspectives. Cripple Creek, in Colorado, which was developed in the 1890s, similarly was adventure and romance for some and just plain hard work for others.

For many historians, Colorado mining towns are incredibly romantic in terms of adventure, discovery, and good times. At least a dozen books on this vein have been written about Cripple Creek. Nolie Mumie, M.D., possessed of endless intellectual curiosity, visited many gold camps and wrote extensively about them. Muriel Sibell Wolle, in *Stampede to Timberline*, told of mining cities then and now, and added her own sketches.

The story of Central City tells of a small district, three communities linked together in the mountains above Denver. Barely two miles wide from one

Panorama of Central City circa 1878.



Berryessa, Kansas.

Illinois, Phil'a and Clark-Gardner,
Gilpin-Burroughs,
University-Kansas.Hawley-Gardner,
Ophir-Burroughs,
First Nat'l Burroughs and Kansas.Mercer County,
California.Alps-Mackie,
Kent County,
Monmouth and Laguna, Kansas.

QUARTZ HILL AND NEVADAVILLE.

Nevadaville, adjacent to and west of Central City. Miners, many from Ireland and Wales, lived in the gulch and worked in the mines on the mountainside. The community had little in the way of amenities.

extreme to the other, the interlocked settlements consisted of Nevadaville, Central City, and Black Hawk. Where one began and the other ended was difficult for anyone to tell. The area can be envisioned as the letter Y, with North Clear Creek extending from the upper right arm down to meet Gregory Gulch (the upper left arm) at Black Hawk, and continue down the base. Central City, then Nevada are at the upper left. In this view, the base of the Y is to the east and the upper arms to the west.

Highest on the slopes was Nevadaville, a roughneck camp in a valley flanked by gold mines on the side hills. Nearly all of the structures were destroyed by fire in September 1861, but were quickly rebuilt. Adjacent and downward, but still 8,300 feet above sea level, was Central City, which reflected culture and refinement. Within its geographical boundaries most Gilpin County mines were located. Farther down was Black Hawk, a town whose roar and hiss of steam engines and the smashing of ore by crushing stamp mills provided a steady din around the clock. The name was derived from a quartz mill made by the Black Hawk Company in Rock Island, Illinois, and delivered on May 5, 1860, set up as the Black Hawk Mill.

As to whether Central City was Arcadia during the era of the First National Bank, or was a rough-and-tumble mining camp, the reader can decide. In its glory days it was a magnet for distinguished visitors who came to see for themselves what they had been reading about in newspapers and magazines. They had missed out on the California rush, but here was a chance to observe first-hand the one in Colorado. Horace Greeley, editor of the *New York Tribune*, came, as did Schuyler Colfax (speaker of the House of Representatives when he visited on May 27, 1865, later vice-president under Grant), P.T. Barnum, Ulysses S. Grant (two times, once as a general and second as president), and even a Rothschild from the French banking family. In 1873, Grant, in his second visit to the city, dined at the Teller House as part of a trip through the mountains. After alighting from his coach, he walked on a path of solid silver ingots laid from there to the door. Curiously, these were from a mine in Boulder County, not from the Central City district.

One visitor, Bayard Taylor, a raconteur, novelist, international traveler, and *New York Tribune* correspondent, visited on June 26, 1866, writing this account, as good a contemporary description as can be found:

Commencing at Black Hawk, where the sole pleasant object is the Presbyterian Church, white, tasteful, and charmingly placed on the last step of Bates Hill, above the chimneys and mills in the uniting ravines, we mount Gregory Gulch by a rough, winding, dusty road, lined with crowded wooden buildings: hotels, with pompous names and limited accommodations; drinking saloons, "lager beer" being a frequent sign; bakeries, log and frame dwelling-houses, idle mills, piles of rusty and useless machinery tumbled by the way-side, and now and then a cottage in the calico style, with all sorts of brackets and carved drop-cornices.

In the centre of the gulch rushes a stream of muddy water, sometimes dammed up to broaden the bed and obtain a little more foothold for houses. Beyond the large mill built by ex-General Fitz-John Porter for an unfortunate New York company, who paid a large sum to repeat the experience of the national government, Black Hawk terminates; but the houses, mills, drinking saloons, and shops continue just the same, and in another half-mile you find yourself in Central City.

This place consists mainly of one street, on the right-hand side of the gulch; the houses on your left, as you ascend, resting on high posts or scaffolding, over the deep bed of the stream. Half-way up there is a single cross-street some three hundred feet in length, where the principal stores are jammed together in an incredibly small space. With one exception, the buildings are frame, dry as tinder at this season; and a fire, starting at the top of the town, with a wind blowing down the ravine, would wipe out the place in half an hour. The whole string of cities has a curious, rickety, temporary air, with their buildings standing as if on one leg, their big signs and little accommodations, the irregular, wandering, uneven street, and the bald, scarred, and pitted mountains on either side. Everything is odd, grotesque, unusual; but no feature can be called attractive. I took quarters at the St. Nicholas Hotel, of which I will only say that the board is five dollars per day....

In this population of from six to eight thousand souls, one finds representatives of all parts of the United States and Europe. Men of culture and education are plenty, yet not always to be distinguished by their dress or appearance. Society is still agreeably free and unconventional. People are so crowded together, live in so primitive a fashion for the most part, and are, perhaps (many of them), so glad to escape from restraint, that they are more natural, and hence more interesting than in the older states. Owing to the latter cause, no doubt, it is sometimes difficult to recognize the staid New Englander in the sunburnt individual in sombrero and riding-boots, who smokes his pipe, carries his pocket-flask, and tells any amount of rollicking stories. He has simply cast off his assumed shell and is himself; and I must confess I like him all the better....

Some friends took me over the hill to Quartz Gulch, the other day, in order to try some mountain-brewed ale. After the intense still heat of the air the beverage was very refreshing, and greatly superior in its quality to the lager beer of the mountains. The owner of the brewery lives in a neat log-cabin, the steps whereto are ores of gold and silver, and inside the rough walls an accomplished lady sat down to her piano and played for us some choice compositions.

There is also a theatre here, with performances every night. Mr. Waldron, of California, takes the leading tragic and melodramatic parts, while Mr. Langrishe, the manager, is himself a very admirable comedian. A good deal of swearing is introduced into the farces, to please the miners. I went in one evening and found the house crowded. There is a daily paper here and one in Black Hawk, both well supported, I believe — certainly very well printed. The editorial dialect, to meet the tastes of the people, is of an exceedingly free-and-easy character. A collection of very curious specimens, both of approbation and attack, might easily be made; but I am too fatigued by the thin air to make the attempt to-night....

There is an immense number of fools in the world, and many of

them either found their way to Colorado, or invested in mythical mines of fabulous productiveness. More than the usual amount of folly and swindling was located here for a time—hence the reaction, the effects of which are still felt.

Before leaving Central City, I must say that it is the most outrageously expensive place in Colorado. You pay more and get less for the money than in any other part of the world. I am already tired of these bald, clumsy shaped, pock-marked mountains; this one long, windy, dusty street, with its perpetual menace of fire; and this never-ending production of "specimens" and offer of "feet," and shall joyfully say good-by to-morrow morning.

My friends in Central City will not take offence when I say that I left—not them, but the place—with a cheerful sense of relief. I had been for four days jammed down among the torn and barren hills, and yearned mightily for a freer outlook and more attractive scenery.¹

To Taylor this was not Arcadia. Not that it made any difference to that visitor, but in 1866 and 1867 there was a slump in local mining production, which fell to about half of what it had been several years earlier.² The doldrums proved to be temporary.

Samuel Bowles, a Springfield, Massachusetts newspaper publisher who traveled widely, gave this review:

The North Clear Creek Valley is hardly more than a ravine, through which for five miles are huddled the chief gold-mining operations of the state. Black Hawk, Central City, and Nevada run into and over each other, and form really but a single town. The clang of mills, the debris of mines, the waste of floods, leave nothing that is inviting except money making, and unless the traveler is interested in studying this form of it, he will be content with a passing glance....³

Not Arcadia either, it seems.

Grace Greenwood visited Central City and recorded her impressions in a letter sent on September 4, 1871, to be published as part of a continuing series she was doing for The New York Times:

Central is a wonderfully busy and interesting place. Through its steep, rugged, and narrow streets pour swift, ceaseless currents of travel and traffic,—carriages stages, loaded carts and wagons, trains of packed mules, miners in their rough, but picturesque garb; mounted drovers, eager-eyed speculators, sleepy-eyed Mexicans, sullen Indians, curious squaws, sunburned, lounging tourists. But the picture were somewhat somber, but for the pleasant lights given it by groups of merry children and bright-faced, handsomely dressed ladies.

It is evident that there are happy homes in Central, and churches and school-houses, and that people think of something beside mines, though the town is built on Pactolean gulches, seven times washed; though the hills above it look like the walls of gigantic fortresses, thickly pierced as they are with tunnels, like monstrous portholes; though hundreds of men in it lie down to prospect in dreams, and rise up to pay or dig; though for many the gold fever dries up the very juices of youth, tinges all life with a fearful moral jaundice. People here, they say, mine in their cellars and wells and back yards, and a careful housekeeper examines her teakettle for gold deposits once a week. Gold is "in the air" in dusty weather; and if you live long enough here, you may "eat your peck" of gold, instead of dirt of the common sort.

Colonel Frank Hall, the secretary of the Territory, to whom I fortunately had letters, did the honors of the town for us,—took us to the Miners and Mechanics' Institute, where we saw rare and beautiful mineral specimens; to shops, where elegant jewelry and silver-ware of native ore and home manufacture are sold; to the banks, where we saw both silver and gold, in bewildering quantities and in all forms,—nuggets and bars and dust, and in the ponderous shape in which it comes from the crucible. All this kindness, and much beside, was done with a charm of finished courtesy which, though it did not "gild refined gold," made us realize that there was something in Central better than gold.⁴

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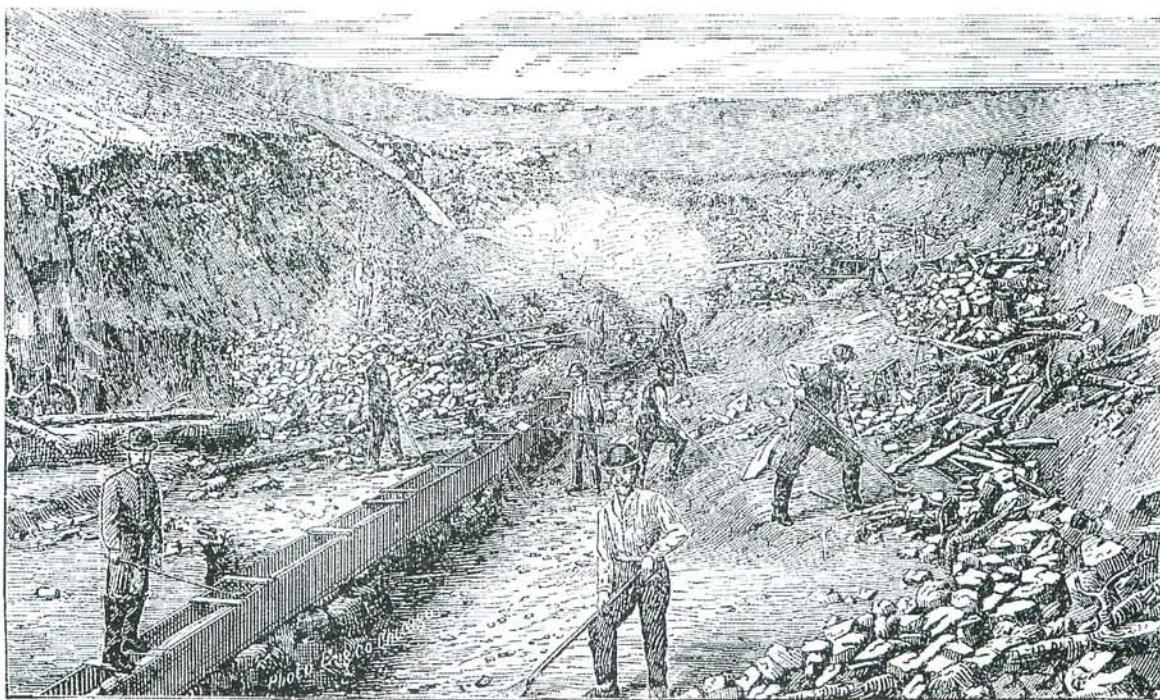
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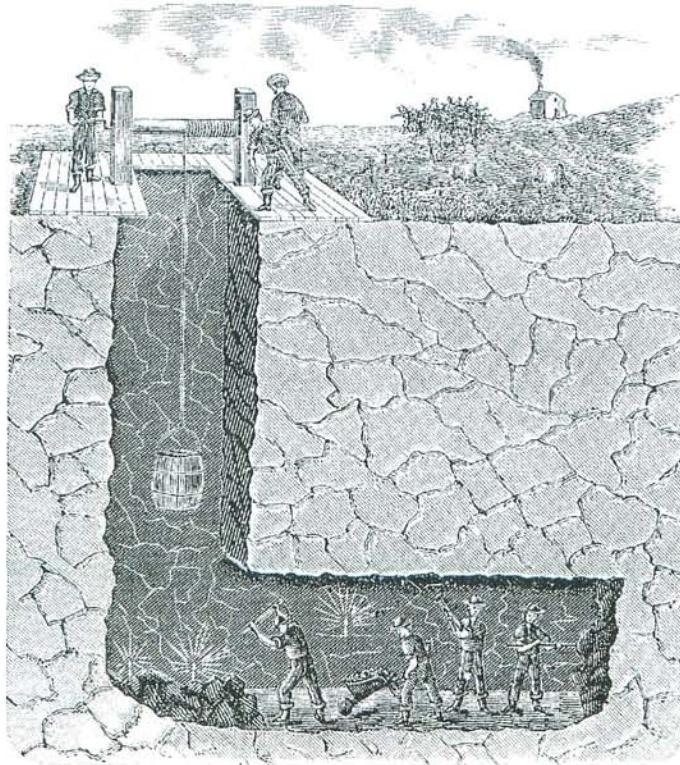
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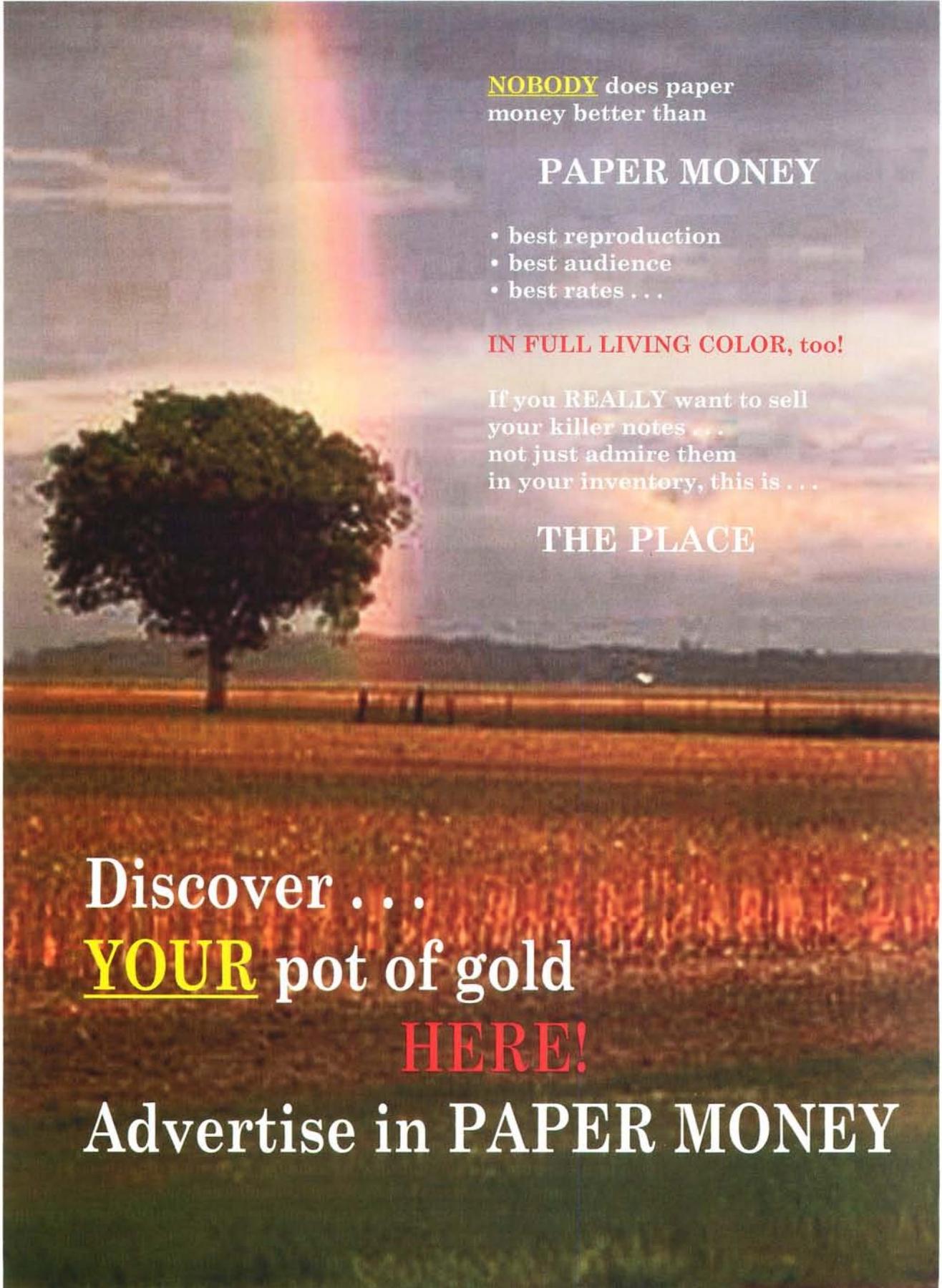
GULCH MINING—SLUICING FOR GOLD.

Placer or stream-bed mining in Colorado, the primary method used by fortune seekers in the late 1850s and very early 1860s. This was mainly the work of small partnerships who worked in gulches using run-off from the mountains, or built wooden sluices to carry water to drier locations. Gold was found in dust, flakes, and small nuggets.



LODE MINING NEAR THE SURFACE—SHAFT AND LEVEL.

A small hard-rock mine in Colorado, a business typically operated by a partnership or company.



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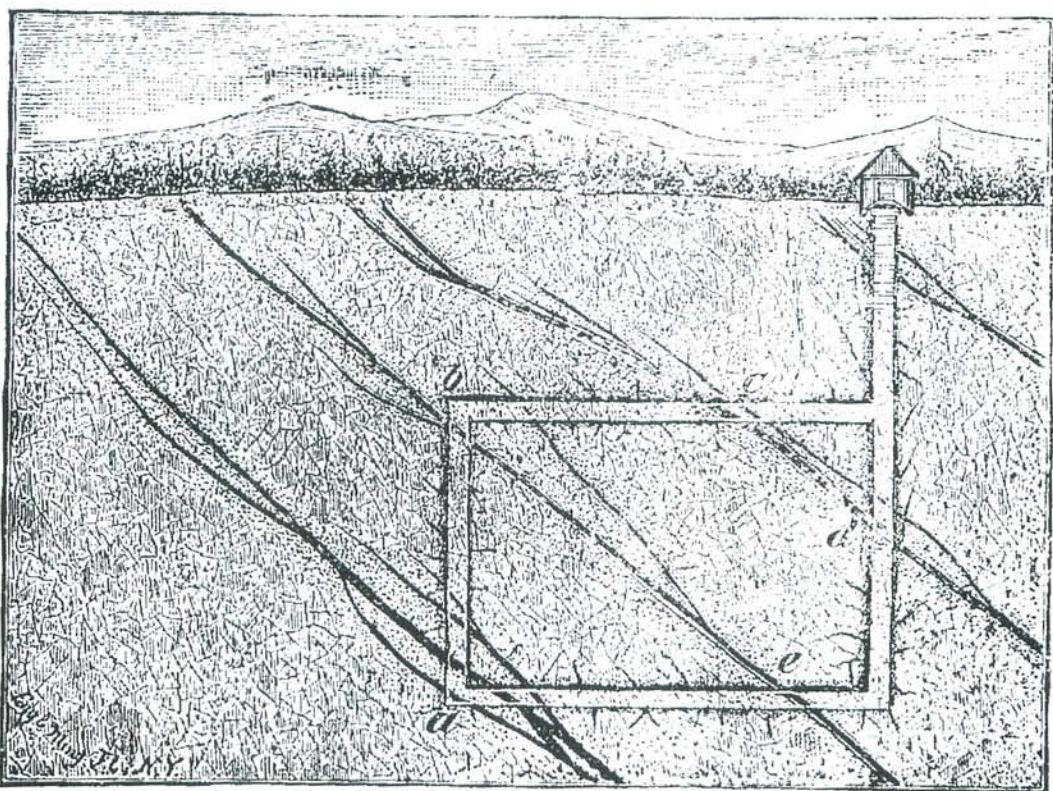
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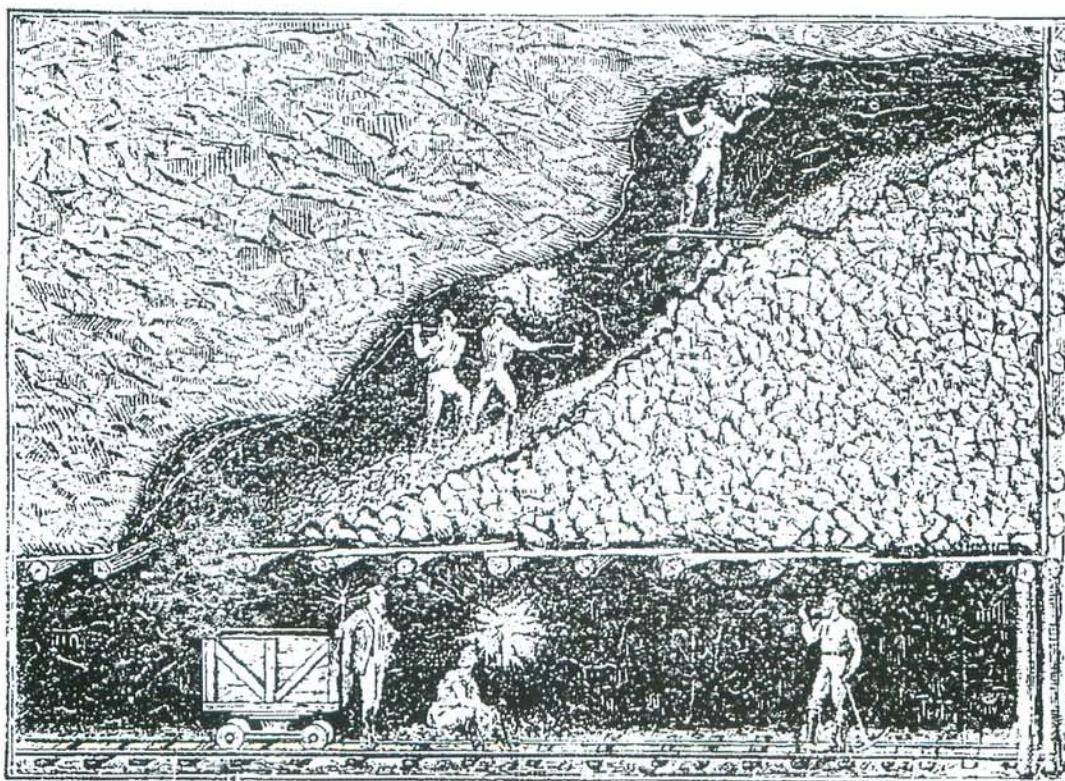
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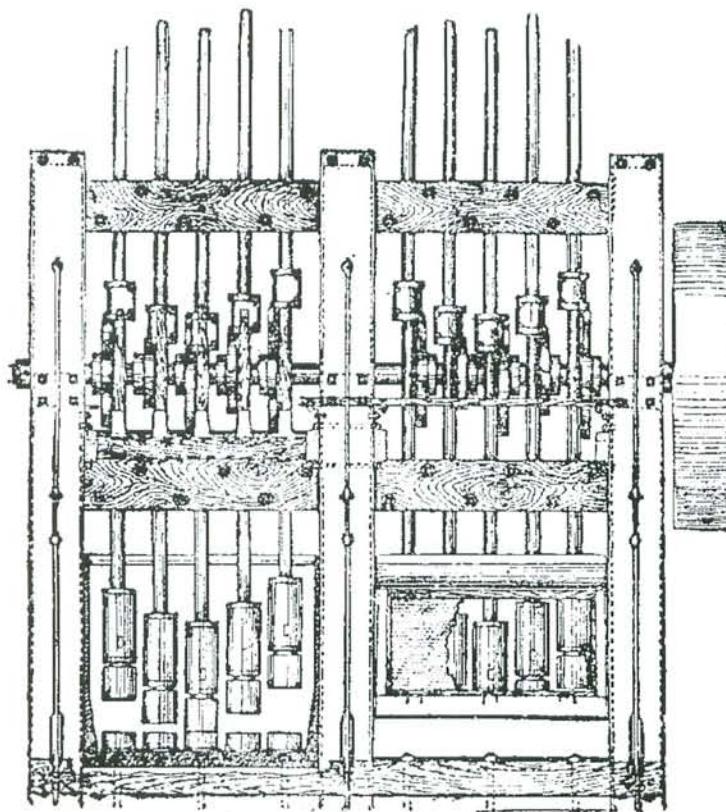
Discover . . .
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Above: Cross-section of a larger mine showing a shaft to the right, connecting with tunnels or cross-cuts blasted out of the rock. The dark diagonal streaks depict gold-bearing ore. Veins ranged in thickness from just a thin trace to over 40 or 50 feet, but most were four to six feet wide and oriented at a sharp angle. Below: Underground in a larger mine, showing a tunnel that provides access to a vein or stope, worked by men who remove ore by blasting, and send it down to a waiting cart.



OVERHAND STOPING—IN THE ORE RESERVES.



TEN STAMP QUARTZ MILL.

To Greenwood, a well-traveled writer for magazines and newspapers from the 1840s onward, Central City fitted Frank C. Young's description nicely!

Colorado Gold

Gold was discovered at the confluence of North Clear Creek and a mountain stream in the mountains west of Denver by John H. Gregory on May 6, 1859. The area was part of Kansas Territory. Almost overnight the population of the area, soon called Gregory Diggings or Gregory Gulch, swelled from zero to 5,000, then 10,000, then as many as 15,000 by July, as fortune seekers came from all directions.⁵ The California Gold rush was in the decline, having had its best year in 1853. The gold strikes at Cripple Creek and the Klondike in the 1890s were not even dreamed of. Kansas Territory was the new Eldorado, with no competition. Gilpin County, the home of Nevadaville, Central City, and Black Hawk, was called the richest square mile on earth. And, indeed, gold was everywhere.

By the summer of 1859, there had already been a year of excitement in nearby Denver. This had begun in 1858 in the prairie to the east of the Rockies with the discovery of gold in stream beds in and around Cherry Creek. One was a settlement of log cabins aptly named Auraria, a town in Georgia of the same name, derived from *aureus* or gold. The other was Denver City, on the east side of the waterway. The two towns merged in April 1860. Mining was done by panning and sluicing. Most adventurers were successful and filled little bags and bottles with gold dust and nuggets at the rate of about \$5 to \$10 value per day. Enthusiasm spread, and soon the rallying cry, PIKES PEAK OR BUST, became famous, as lettered on the sides of Conestoga wagons headed for the latest promised land. Never mind that Pikes Peak was not in the district at all, but was about 75 miles to the south. In 1859 and 1860 newcomers arrived every day, often after having read exciting accounts in the Eastern newspapers.

A ten-stamp mill for pulverizing gold ore. Such units were usually worked 24 hours a day.

While panning for gold in streams in the Denver flatlands continued to be worthwhile, it was the 1859 strike in Gregory Gulch high in the Rockies that promised a fortune. The rush was on! In the first year, most mining was done by sluicing and panning, the traditional style. From October 24, 1859, until February 28, 1861, Central City was in a district called Jefferson Territory by its proponents. This encompassed parts of Kansas and other territories. Although Jefferson Territory elected officials in a democratic process and legislation was enacted, it was never officially recognized by the United States government.

In the spring and summer of 1860 expansion continued, and Central City took form, centered slightly west of the original gold find. The Consolidated Ditch was completed, bringing a greater supply of water into the area. Deep-rock mining yielded ore from several veins. Mills with five, 10, or 15 stamps were set up, with over 100 in place within the first few years. A single stamp could crush three-quarters of a ton of ore if operated around the clock, as many were. The life of such machinery was short, and when their usefulness ended they were sold as scrap iron or left derelict on hillsides. Average daily pay for a miner was \$4 to \$5, after which it declined to as low as \$2.50 by 1879.

During the first several years there was much lawlessness and rowdyism in Gilpin County, after which things settled down to an orderly nature, except for the occasional Saturday night scuffle. It was common practice to run out of town anyone who stole mining tools or jumped a claim, with the threat of death if they returned. This seemed to work. Serious crime became rare in the district, and sensational cases were the exception, hardly a "Wild West" scenario.

In the early days the post office at the Gregory Diggings was known as Mountain City. The facility was established on January 17, 1860. In time, the mining area expanded up the hill, and became known as Central City. On February 28, 1861, Colorado Territory was established. However, the post office name was not changed to Central City until years later, on October 8, 1869. The unofficial Jefferson Territory name was soon forgotten. The Central Overland and Pikes Peak Express completed a connection in the spring of 1860 (later this became part of Wells, Fargo & Company, and still later was known as the Kansas Pacific Railroad Express Company and still later the Pacific Express Company).

News traveled very slowly in the early days. It was not until November 7, 1863, that a Pacific Telegraph Company line was strung into Central City. In 1872 the Colorado Central Railroad line connected Black Hawk with Denver and other stations, and it was announced that within a year a link would be made to Central City. That did not happen. The grade from that point up to Central City was nearly 500 feet in slightly more than a mile, through very rough terrain, and it was not until 1878 that the line was completed.

Money in Central City

From 1859 to early 1862, silver and gold coins were used as money in the district. Currency, so popular in the East and issued by more than a thousand state-chartered banks, was not seen, as the soundness of the banks could not be ascertained in distant Colorado. In addition, gold dust and nuggets served for exchange, usually traded at about \$16 per ounce in mercantile stores, if the proprietor felt the metal to be of high quality. At the distant Philadelphia Mint an ounce of pure gold was valued at \$20.67. Federal gold coins contained 90% pure gold, alloyed with copper, giving the 0.9675 Troy ounce of gold in a \$20 double eagle the value of \$19.998225 if melted into bullion. Every place of public accommodation had scales at the counter for the weighing of gold. Clerks became adept at spotting fakers, such as those who attempted to spend brass filings.

After the Civil War began in April 1861, the North or Union side envisioned a quick win, and soldiers were signed up to enlist for three months, after



which time it surely would be over. That did not happen, and the Battle of Bull Run on July 17, 1861, went to the Confederates, as Union troops scattered in all directions. Monetary conditions gradually became chaotic as uncertainty continued. On December 28, 1861, banks in New York City stopped exchanging gold coins for paper notes, and in early 1862 silver coins disappeared from circulation as well. Legal Tender Notes, authorized in 1862, were not exchangeable at face value for coins. A premium on coins arose, to the point a few years later in which it took over \$250 in Legal Tender bills to buy \$100 in gold coins at a bank or exchange broker.

In Central City, some loyal Southerners left the district to serve in the Confederate army, but the numbers were small. More went to the East to serve with the Union forces. The First Regiment of Colorado Infantry participated in the war on the side of the North, distinguishing itself in countering Major General Sterling Price's raid (as it was called) of Missouri with 12,000 Confederate troops in 1864. Probably the greatest effect the Civil War had on Central City was to raise the cost of supplies needed in the mining operations and to delay their delivery. If there were significant political debates on the subject, they have escaped the notice of historians.

Legal Tender Notes remained the money of Central City from 1862 through the 1870s, not by choice, but by default, as coins were not available. It was not until April 1876 that silver returned to circulation in quantity, followed by gold in December 1878. In the meantime, silver and gold coins were exchangeable and banks and brokers traded at a premium in comparison to currency. There were relatively few such coins in the district, however.

Central City

In the 1860s and 1870s Central City was second only to Denver in terms of population in the territory. "The Little Kingdom of Gilpin" it was called by some—the political, commercial, and social center of Gilpin County. In 1869 Frank C. Young described the greater population of the district as being American-born but with a fair sprinkling of Germans, several hundred Celts, and some few Scandinavians. In the last several years there had been an influx of robust people from the tin mines of Cornwall, and these promised to outnumber the native element. The people from Cornwall did not like the Celts in Nevadaville, he stated, and much rowdyism ensued.⁶ Beginning in the summer of 1870, several hundred Chinese workers streamed into town, having completed their work on the transcontinental railroad. Some worked the streambeds for gold, although the ravines were mostly depleted by this time, as they were not allowed in underground mines. They kept to themselves and led quiet, peaceful lives.

\$5 Legal Tender Note. Made in various denominations from \$1 upward, these were used in and around Central City and were the main medium of exchange from 1862 through most of the 1870s.

Central City was long and narrow, squeezed between two mountains. Lawrence Street, paralleling Eureka Gulch just west of Gregory Gulch was the busiest thoroughfare and ran east to west. At the western end, Eureka Street was an extension and was also a thriving place. On the combined streets were located the Teller House, opened in 1872 to become the largest hotel in the district (named for Henry M. Teller, lawyer and prominent Colorado politician) and the Rocky Mountain National Bank, the First National Bank, and various mercantile houses. The Teller House was the scene of a lot of legitimate fun, including dances held in the evening, when dining chairs and tables would be cleared away in the second-floor restaurant, and patrons would dance to the accompaniment of fiddlers. The facility became a favorite, taking the place of the run-down Connor House, the main hotel up to that time, and of the St. Nicholas Hotel, also rather seedy.

Branching off to the south, just before the Teller House, were Pine Street next to the hotel and, separated by a row of business blocks, Main Street. These two thoroughfares were home to saloons, theatres (such as they were), and gambling parlors, among dry-goods stores and other enterprises. Several bordellos were in operation—how many was never recorded. Stores and shops, laundries, equipment purveyors, and other businesses flourished, as did several churches and schools. At one time the district had eight church congregations and over 2,000 seats.

As was true of other gold camps earlier as well as later, Central City attracted its share of charlatans who peddled worthless stock to distant investors as well as to visitors to town, such the hucksters who showed “specimens” to Bayard Taylor and offered him “feet” of mining claims. Pseudo-engineers and mining “experts” from California and Europe, and inventors with secret processes for extracting precious metal from ore that others found worthless were also on hand, with enticing offers for the gullible who sought to gain wealth quickly without having to do any work.

In the meantime, many well-run operations were indeed profitable, with the Bobtail mine and mill being particularly so, according to accounts. Dozens of other companies were active, nearly all with mines of the deep-rock type with shafts and tunnels extending up to several hundred feet into the earth. Work was hard, dirty, and fraught with accidents. Only the most robust men could endure it.

Miners who worked hard played hard, and like as not spent most of their pay on gambling and drinking in the local saloons. Games of faro, roulette, and poker went on through the night, usually in small rooms with a stove for warmth and a side bar providing alcoholic comfort. Relatively few banked their wages.

Young women eligible for marriage were in short supply in Central City, prompting the *Daily Register* to include this in an issue of March 1871:

Girls are plenty, and men scarce in Maine. At a recent Leap Year sleigh ride in a village in that state, it was found that there were not enough men to go around, so they allotted two girls to each young man, and then had to take in several old widowers to make up the necessary number. This is all wrong, and if a few hundred of those girls would only come to Colorado, we will promise them at least two beaux each, in young, true, and sturdy fellows for their next Leap Year ride. Wake up girls, and come to where you are needed and appreciated. ⁷

Some local young women may have been eligible, but were busy courting miners and others in saloons, dance halls, and other places where sporting men frequented, such as Jane Gordon's bordello on Pine Street. Historian Fred Holabird has estimated that half the saloons in mining camps were actually bordellos.⁸ Such saloons usually offered assignations in rooms on the second floor above.

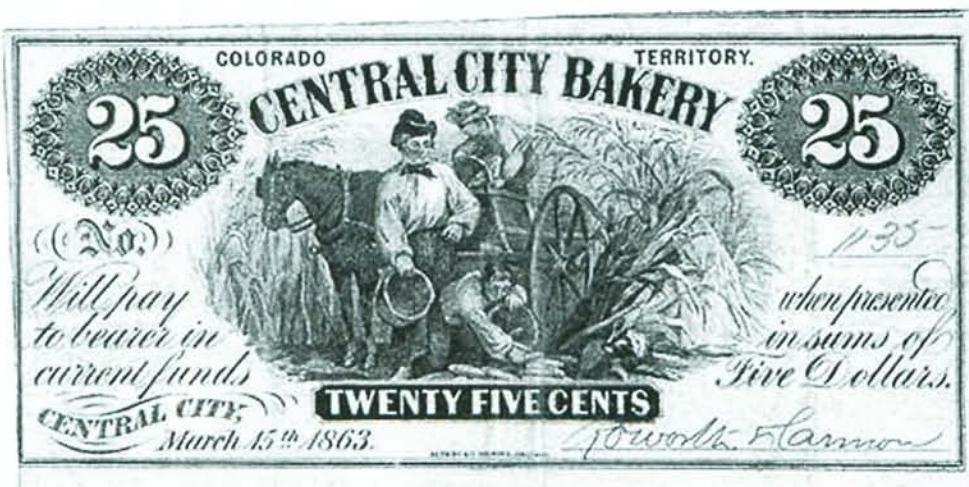
At the corner of Main Street where Lawrence Street evolved to become Eureka Street, on a site later occupied by the First National Bank building, was one of the most popular spots in town in the 1860s and early 1870s. This was an unpretentious one-room log building, 32 by 16 feet on the interior, that housed the office of Hinckley's Express, then the Pikes Peak Express, and served as the popular distribution point for mail and packages when they arrived, typically in a Concord coach drawn by a span of six horses. In the same space was Waill's jewelry store, the law office of Purkins and Weld, the office of Dr. Smith, and that of district recorder D. Tom Smith. Frank Fossett described the scene, or at least part of it:

The Express office occupied a space nine feet by six, enclosed by a picket fence. Here was packed and piled the large amount of express matter, and the immense quantity of letters and the distributing boxes they required. The office was open from 7 o'clock a. m. to 9 p. m., and had two delivery windows and a man at each. For a long time it was the only mail distributing office in the mountains. During the summer months and often in winter, two long lines of men, numbering from 100 to 300, were always awaiting the opening of the windows in the morning, and there was seldom much diminution of the crowd (except from 2 to 6 p. m.) until closing time at night.

Men who had trudged many a weary mile over mountain and ravine to hear from the dear ones in some far eastern home, after keeping their places in the lines for an hour, were doomed to the disappointment of seeing the windows close just before they reached them. Delivering letters was then a slow business, owing to the charge of twenty-five cents per letter by the express company, and as gold dust was the currency of the country, time was required to weigh out the payment in gold dust from the pouch of each man receiving a letter. For this purpose scales were used inside of the office window as at all points of trade in those days. Men experienced much difficulty in hearing from home, as letters were usually directed simply to Pike's Peak, with no town or other locality written upon them. The thousands on thousands of missives from wives, sweethearts, parents or friends, first came to Denver and were then sent to whatever part of the mountains a man was thought to be, and for a long time to Central only.⁹

The express company stage also brought newspapers and magazines from the outside world.

Scrip note for 25 cents issued by the Central City Bakery in 1863, at a time when small change had disappeared from circulation.



Much ore from Nevadaville and Central City was shipped by freight wagon to the Boston & Colorado Smelting Works, an ore-reducing plant in Black Hawk conducted by Professor Nathaniel P. Hill. The operation is said to have yielded a 100% annual dividend on the stock price by processing 25 tons of ore each day. Hill, an 1856 graduate of Brown University in Rhode Island and



Bringing ore from the mines into Black Hawk to be processed by the Boston & Colorado Smelting Company.



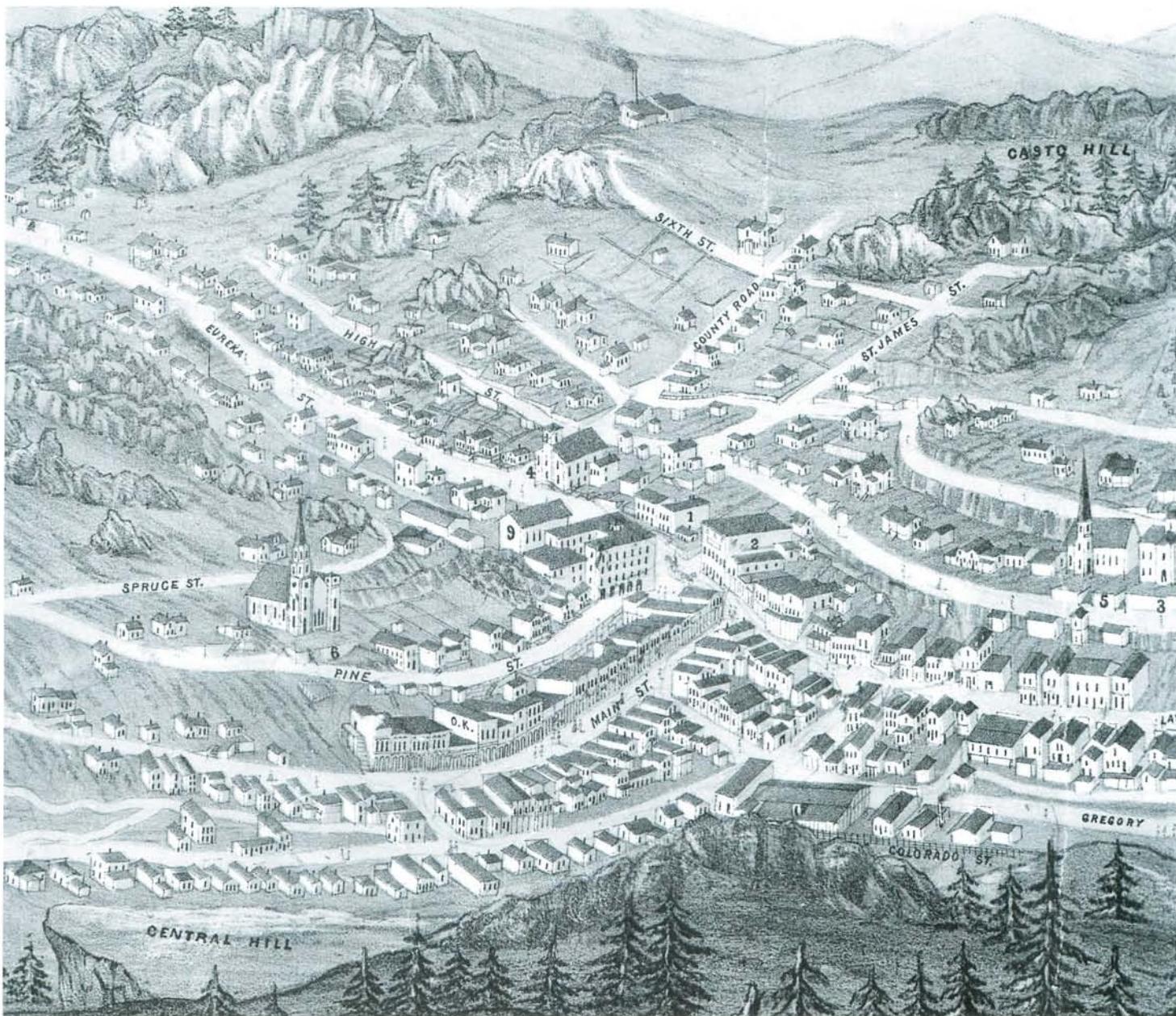
Casting silver ingots at the Boston & Colorado Smelting Company in Black Hawk. The facility processed gold and silver ore from Gilpin County and surrounding districts. Completed ingots were placed into small bags the shape of the ingot, with two handles on the top for carrying.



later a professor of chemistry there, came to Colorado in the spring of 1865 to study the mineral resources of the territory, including gold ore. He envisioned great potential for a modern smelter to refine the ore and yield a higher return per ton than was currently being obtained. To learn more about modern processes in Europe he went to Swansea in Wales (to which he had shipped 70 tons of Colorado ore) and Freiburg in Saxony, where he investigated metallurgy and examined the procedures in use there. Apparently, his connection with the university at Freiburg was viewed as being pretentious, as after he returned to Colorado satirical comments were made relating to this. The Boston & Colorado Smelting Company also processed large amounts of silver ore, including from Clear Creek and Boulder counties.¹⁰

Silver was present in Gilpin County ore as well, and in significant quantity as compared to gold, but the value was less. A report by A. von Schulz's Assay

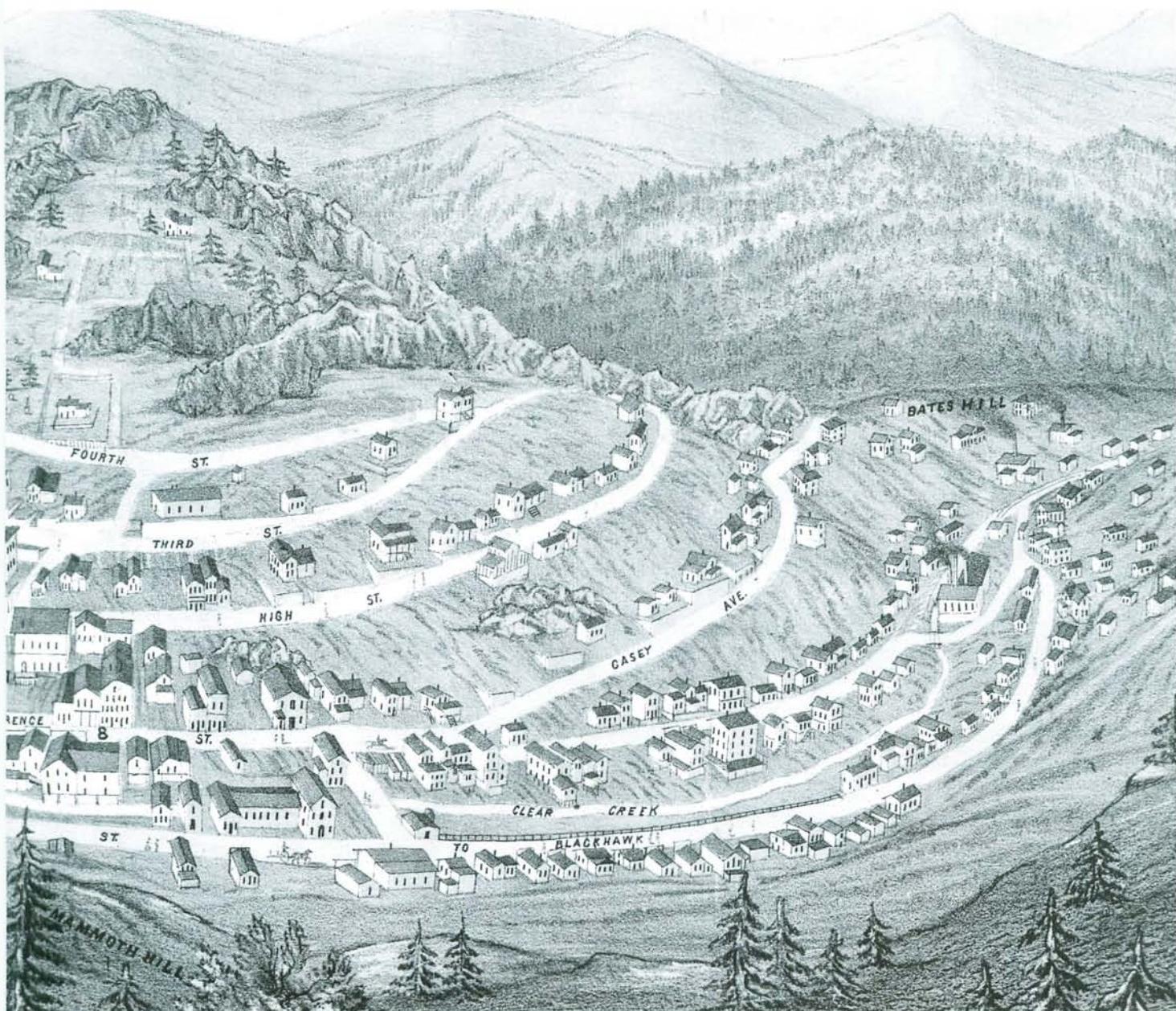
Panel from a stereograph card, with the inscription on the back reading: "Gold brick, value \$15,000, from the Boston & Colorado Smelting Works. Gold retort, 950 ounces value \$16,000, from the Gunnell Co.'s Mint and deposited at the First National Bank, Central City, Colo."



Office, Central City, May 10, 1870, analyzed a sample George L. Bradley had provided from the Kent County Lode, as it was designated, in Nevadaville. A ton of ore was said to yield 5.80 ounces of gold with coin value of \$119.88, and 31.00 ounces of silver with coin value of \$40.00.¹¹ The coin value was based on the Mint's current valuation of 20.67 per ounce of pure gold.

Similar to the situation in other mining towns, Central City aspired to culture. In the winter of 1866, into 1867, the Miners and Mechanics Institute was organized, with Frank C. Young as secretary. By 1870 the shelves were "laden with nearly 1,000 volumes of carefully selected and well bound works on art, science and literature (besides numerous monthly journals, and weekly and daily periodicals)," while in the same building, "rare and costly cabinets of ores, minerals, fossils, petrifications and specimens of the precious metals, will give even the casual observer abundant evidence of the earnest and effective manner in which the live members of this association have conducted their arduous labors."¹² In time, 200 people paid \$10 each to become full members of the Institute.

The new High School building was also a source of civil pride, as were the churches in the general district. The Methodist Church on Eureka Street



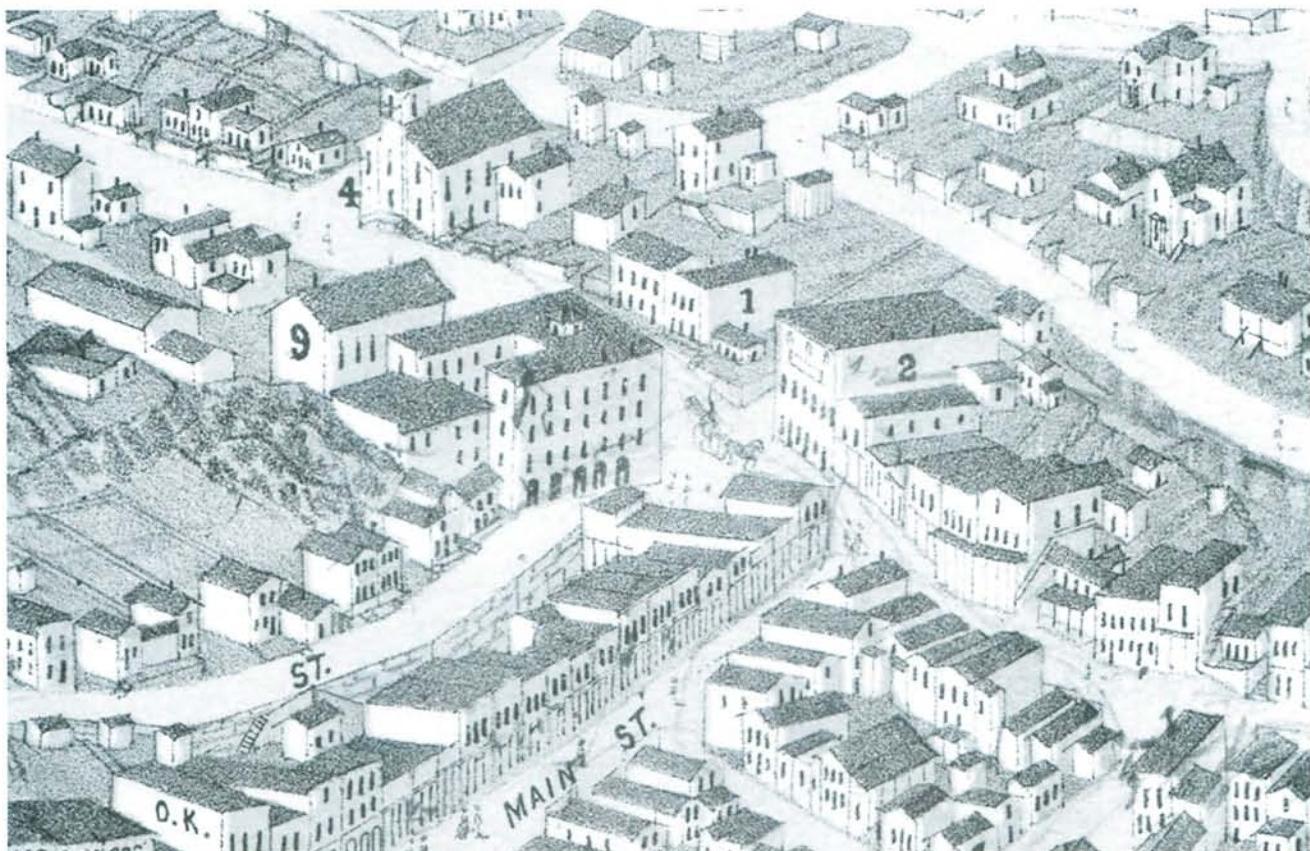
served double duty, as it also held the offices of the United States Land Office. In 1870, the city officers included F.H. Messinger, treasurer, of whom more will be related in connection with the First National Bank.

On January 26, 1873, a fire broke out on Lawrence Street. Within several hours 16 buildings were laid to waste, including the Episcopal Church, the Territorial Assay Office, and the Odd Fellows Hall. This prompted the townspeople to realize the danger presented by the wooden buildings in town. Fire prevention measures were taken, buckets for carrying water were distributed, and drills were held. Not to much avail, as it turned out.

The Great Fire

At about 9:30 on Thursday morning, May 21, 1874, a small shanty used as a commercial laundry on Spring Street, near the end of Dostal Alley, caught fire. A group of Chinese townspeople were celebrating with joss sticks and burning incense. Some paper decorations flashed into flames, and soon the building was engulfed. A cry was raised, and citizens rushed to the scene carrying fire

Central City in 1873, a year before the fire, from a bird's-eye view.



Above: Detail from the bird's-eye view showing the four-story Teller House in the center with wooden buildings in the business district.



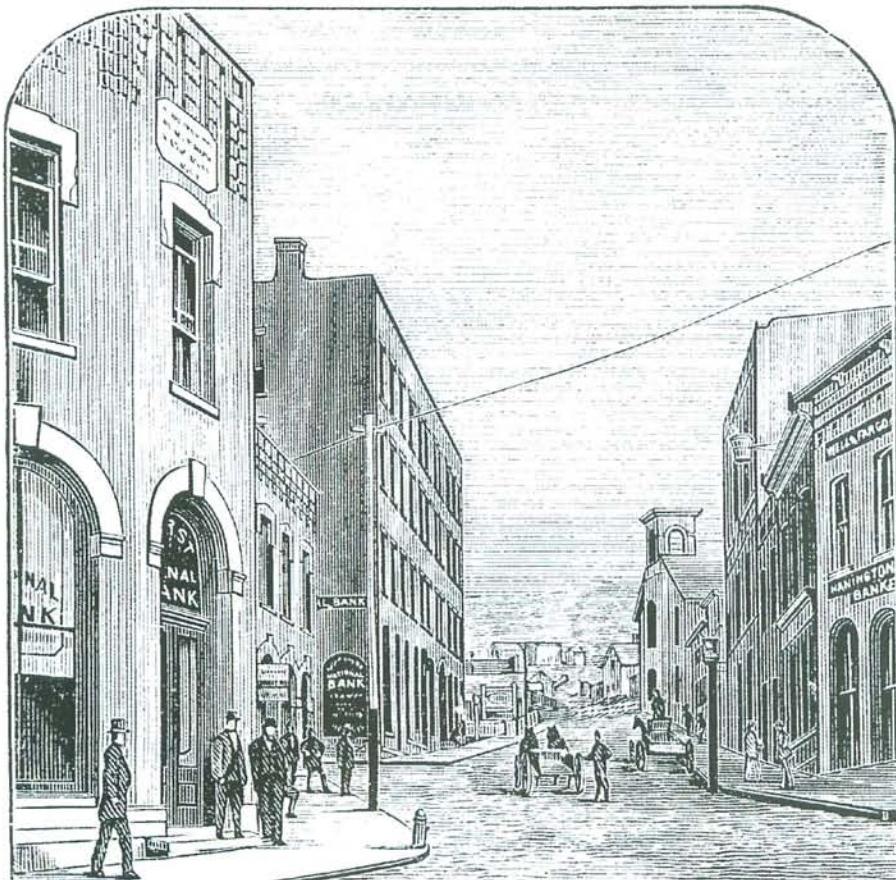
Right: The smoking ruins of Central City after the May 21, 1874 fire.

buckets. Unfortunately, the gulch was dry. No water was to be had.

The flames spread to Main Street, then to Lawrence Street, laying in waste everything in their path. An effort was made to destroy some buildings to impede the progress, but the fire was so intense and the structures so tightly clustered that nothing could be done. Eventually, some water was taken from a well near the Teller House, and other wells yielded enough to fill some buckets, but the effort was futile. Help arrived from other towns, but there was not enough water for the hoses of the hand-pumps. Three hours later the nearly entire core of Central City was reduced to ashes, sparing the Teller House, and to the east to the Raynolds building, and one or two other places. Over 150 buildings had been destroyed. The loss seems to have been about \$230,000, although published estimates reached \$500,000 and above.

Rebuilding the city commenced a few days later, and with great enthusiasm. Soon most rubble was cleared. On June 19, Carrie Young, the attractive schoolteacher and amateur actress wife of First National Bank cashier Frank C. Young, took the lead role in Flower Queen held in the Congregational Church, as the Montana Theatre, the usual venue, had been destroyed. By that time she was a familiar figure on the stage, while her husband worked in the background with organization and publicity of local plays and other events. Throughout the summer there was great enthusiasm for sporting and entertainment events—part of the making of the new Central City. Spirits were high.

By early 1875 there were nearly 100 new structures in place, many with cast iron fronts, and all made of brick or stone. Wooden buildings were prohibited except for use as temporary facilities.¹³ Visitors that summer included Henry Wilson, vice-president of the United States, and Jefferson Davis, former president of the Confederate States of America, who arrived in town with his son. General William T. Sherman (of the march through Georgia campaign) and Secretary of War Simon Cameron were on hand with their contingents. The Teller House was the social center of town and hosted most important visitors.



Banks in Central City: View looking to the west on Eureka Street, with the First National Bank at the left, on the corner of Main Street. Across the street to the right is the banking house of Hanington & Mellor in the Mellor Block erected in 1875. Down the street, left of center, is the four-story Teller House hotel, with the Rocky Mountain National Bank office on its first floor.



Above: The rebuilt Central City with all buildings constructed of brick or stone. The Teller House is at the center of the picture.

Right: The narrow-gauge Colorado Central Railroad, circa 1879, with Central City in the distance.





The Central City Opera House.

In the late summer of 1875 the Belvidere, a new theatre, opened at the head of Main Street, a much-heralded project of Henry M. Teller and Judge Silas B. Hahn. The first floor of the commodious building was divided into three stores, each with two plate glass windows. Upstairs was an auditorium measuring 55 feet by 40 feet, with a ceiling 18 feet above. When the facility was crowded there were creaks and groans in the floor, earning the establishment the unfortunate and unexpected reputation of being potentially dangerous. Apparently, the construction had been slipshod.

On August 1, 1876, Colorado became a state. Central City celebrated to the hilt, with a parade, fireworks, and other revelry. By that time the town had been largely rebuilt, with scarcely a vacant lot remaining on any of the busy streets.

In March 1878 the handsome new Opera House opened on Eureka Street to the right of the Teller House, rendering the Belvidere obsolete. It was immediately popular. True to its name, the bill usually did consist of classic operas, these instead of the melodramas that were the usual popular fare in gold

camps. Two months later on May 20 the Colorado Central Railroad ran its first train to the city, after great effort in laying the narrow-gauge rails up from Black Hawk, a procedure involving trestles and switchbacks. This was cause for a parade, and a grand reception in front of the Teller House.

On the lighter side, the Shoo Fly combination saloon and theatre opened in spring 1879 and was a delight to many miners and others, but was an annoyance to the local gentry. Burlesque and minstrelsy were the order of the day, with singing bartenders adding to the amusement, punctuated by fights over girls and drunken brawls. The hall was nothing but a “flaunty open exhibition of vice,” said one observer, and it was condemned by the local newspaper. No matter, such comments were free advertising, and the place was crowded every night, as were four or five other parlors with similar entertainment.¹⁴ The coming of the railroad also brought sharpers and low life from Denver who came to gamble or to commit crimes, instead of engaging in hard work. To this extent, the new rail connection had an unintended consequence.

Despite its ups and downs, the 1860s, extending through the 1870s, were the glory years of Central City.

Later Years

In May 1878, disaster struck. In retrospect, this month marked the end of the old era and the beginning of the new. No one expected what happened next: to the west in the mountains in Leadville, vast strikes of silver ore were made, and in May the world with electrified with news of unlimited instant wealth in the offing—or so it seemed. Almost overnight that district became a sensation, capturing the attention and imagination of thousands of miners and others in Central City and other nearby mining towns. An exodus into the sunset began. Among those leaving were Chinese laborers who had arrived in 1870 and many immigrants from the mining districts of Cornwall and Ireland, who had populated Nevadaville for many years. Now, there were new opportunities at a time when pay in the Central City district had dropped to as low as \$2.50 per day, or half what it had been in the early 1860s.

It took several years for the full effect to be realized. In fact, the Gilpin County mines yielded a record \$2,500,000 in gold in 1880, the highest ever. However, this was overshadowed by the production of silver in Leadville at \$11,000,000 in 1879 and \$15,000,000 in 1880.¹⁵ No longer did newspapers in the East send artists to Central City to sketch scenes of life and reporters to record the excitement of great wealth. Leadville yielded greater riches by far and grabbed all of the coverage instead.

About this time many of the more educated and accomplished citizens of Central City began to depart in significant numbers, likely as not going to Denver, which had become a thriving city with many of the same amenities that Eastern metropolises boasted. Gilpin County gold paid for a share of the new and ever more elaborate mansions that were being built in the state capital.

In 1882, Daniel Pidgeon, a visitor from England, came to town and described Central City:

We left Denver for Central City, one of the most important mining camps of Colorado, by the Colorado Central Railway, retracing our steps across the plains for fifteen miles to Golden, a small smelting town close to the foot of the range. Here a mountain stream called Clear Creek debouches from a canyon and enters the plain, seeking the Platte River. Golden, though standing on drift, is nearly six thousand feet above the sea, while Central is eight thousand three hundred feet in elevation; and the railway which connects the two places rises therefore two thousand five hundred feet in its course of forty miles.

A narrow gauge of three feet six inches has been chosen for the mountain railroads of Colorado, both on account of its lower first cost and because it is

better suited for steep inclines than a wider gauge with heavier rolling stock. Our train consisted of six passenger cars, a freight car, and an "observation" car—the latter an open truck from which we got capital views of the scenery, though we were terribly bombarded on the upward journey by ashes from the laboring engine.

The canyon is narrow, and for the most part filled with a thick level deposit of detritus, through which the stream, evidently much smaller now than at some former period, flows or leaps in a channel always steep and sometimes precipitous.... The train rolls around curve after curve at a uniform speed of eighteen miles an hour, until after passing many stations once busy with "gulch mining" it reaches Black Hawk, thirty-seven miles from Golden and seven thousand three hundred feet above sea-level. Here the valley is wide enough to hold a considerable town full of foundries, stamping-mills, and smelting works.

The distance between Black Hawk and Central is only a mile and a half as the crow flies, but there is a thousand feet difference in their levels, so the railroad zigzags up the hill-side, the train travelling now forward, now backward, over a series of dizzy inclines, having a total length of about four miles. The position is a remarkable one for a railway traveller. Around him are the peaks of the range whose sterile summits gleam with occasional snows. Right beneath his feet is the busy little town of Black Hawk, whose chimneys shoot their pointed flames from among rolling clouds of smoke. Lower still the white thread of foaming Clear Creek slips in seeming silence through hidden eyes in pointed needles of rock. And at this great height he steps from the cars into Central City, a flourishing mining camp of three thousand souls, perched at an elevation of more than three hundred feet above the Alpine line of perpetual snow.

The little town consists of a straggling collection of wooden shanties dotted all over the steep hill-sides, but clustering more closely at one spot where a short street contains a number of excellent shops, three banks, three hotels, and several churches. The bare brown hills are burrowed everywhere with seeming rabbit-holes, from whose mouths run out little embankments of bright-colored mining rubbish, while here and there horses are seen treading the mill round of windlasses or whimseys. The streets are deserted during the day, but all the world is astir in the evening, presenting faces of a type which is very familiar to us. Two-thirds of the miners in Central are Cornishmen and the balance either Norwegians or Germans. Native Americans are seldom found underground; they "prospect" and sell their "claims," generally preferring the manufacture of balloons to the founding of solid industries, and having little stomach for the hard work of a miner's life.¹⁶

Gold production in Central City and surrounding districts declined during the decade. Gold output fell to \$805,236 in Gilpin County in 1890, the first time in many years it slipped below a million dollars.¹⁷ Times were hard, with the Panic of 1893 soon making things worse. Buildings fell into disrepair, and there were many vacancies.

By 1914 the once-elegant Teller House was decrepit. Many storefronts were empty. By 1925 the population of Blackhawk was just 200 souls, of Central City 400, and of Nevadaville just 10. "The district was not actually a ghost town, but it was certainly haunted by the spectre of decay. Abandoned houses, made more desolate by forgotten furniture, stood under sagging roofs on every street," commented historian Caroline Bancroft.¹⁸ There was little hope for improvement.

In 1931, spirits were lifted when local and regional citizens banded together to restore the Opera House, next to the Teller House on the right. On July 6, 1932, it reopened with Lillian Gish starring in the title role in *Camille*. Unfortunately, there were financial difficulties, and the theatre closed after the season ended. Almost immediately it was acquired by the Gilpin County Opera House Association, a non-profit civic group that reopened it with success. From that time onward the city was a magnet for summer tourists, usually day-trippers from Denver.

In the late 20th century, gambling was legalized in Central City and Black Hawk, along with Cripple Creek to the south. Storefronts were converted to casinos with banks of slot machines, and novelty shops and restaurants enjoyed good business for a time. Whether this was desirable or not was and is a matter of debate. Certainly, the transformation breathed new economic life into the town. This is the situation of today.



An otherwise unidentified bank in Gregory Gulch in 1861 or slightly later, in the main commercial facility. The sign is lettered "GROCERY STORE. BANK." The bank is at the lower left. Photograph by George D. Wakely, who opened a photograph studio in Denver in October 1859.

Banking and Money in Central City

A Bank in Gregory Gulch

An early bank in the Central City district was located in Gregory Gulch in combination with a grocery store on the ground floor of a large two-story wooden building, which also served as a tavern and hotel. The bank probably engaged in the normal business of buying and selling gold dust, exchanging it for silver and gold coins. Little is known of the enterprise today. A pencil notation on the image, preserved by the Denver Public Library, states: "Gregory Lode Looking South / Gregory Store & F. Smith's Bank." It is not known if Smith conducted the bank or simply worked there.

The Rocky Mountain National Bank

Kountze Brothers, as the enterprise was designated, operated the Bank of Dakota City in Nebraska Territory in the late 1850s, one of five private banks that Augustus, Charles, Herman, and Luther Kountze formed in this era. Most of the Dakota City institution's business was actually transacted in Omaha. The brothers formed the First National Bank of Omaha in August 1863, one of the earliest National banks organized under the then recently adopted Loan Bill, pop-

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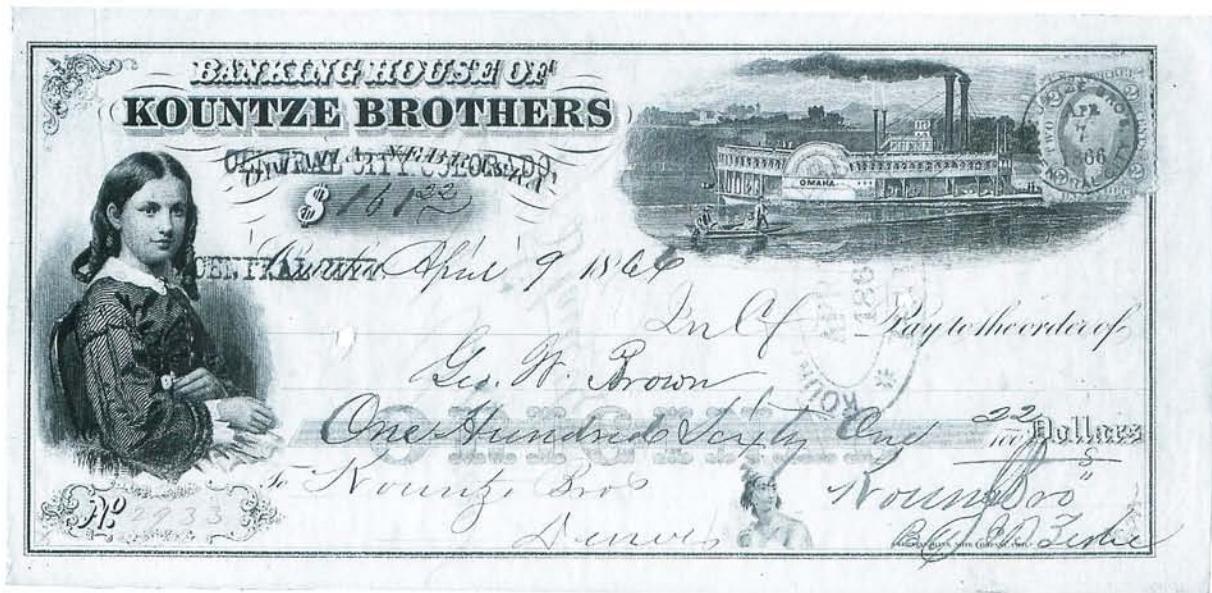
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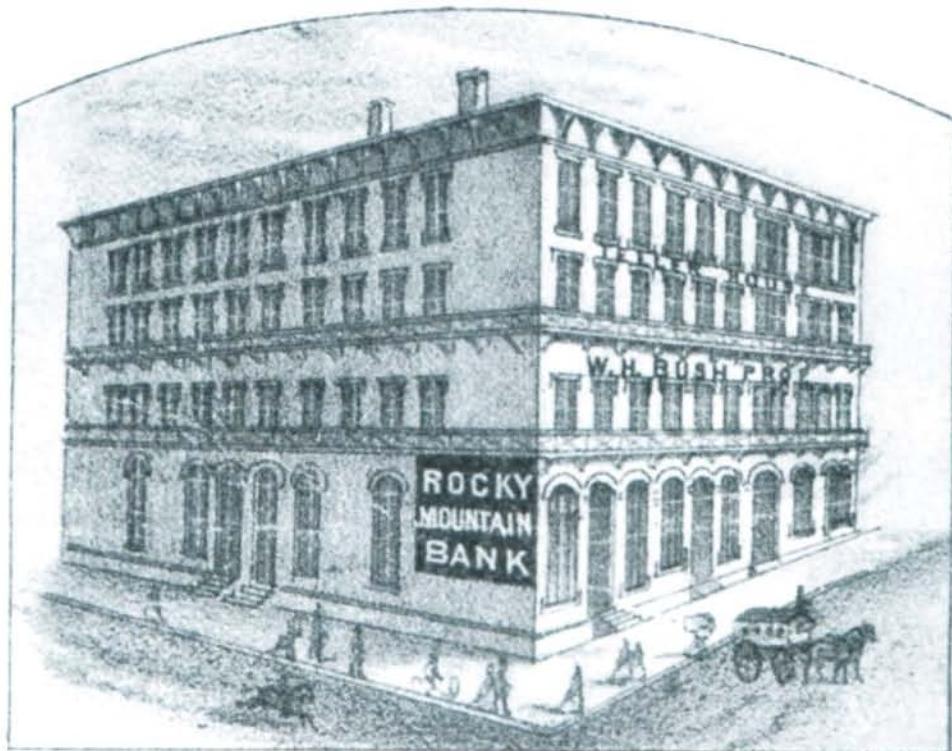
Bank draft issued by Kountze Brothers, 1866.

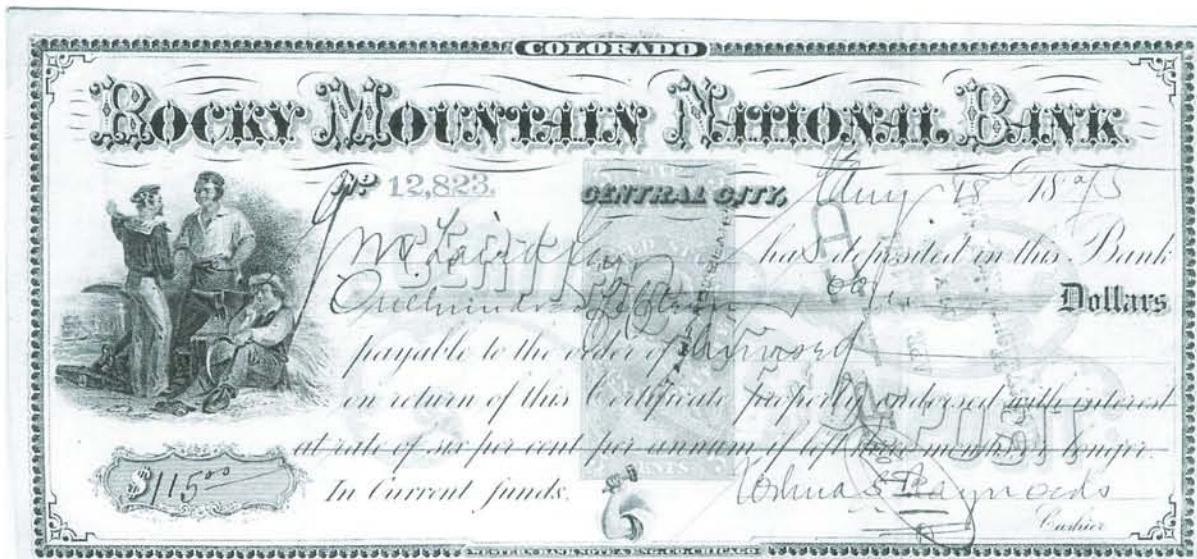
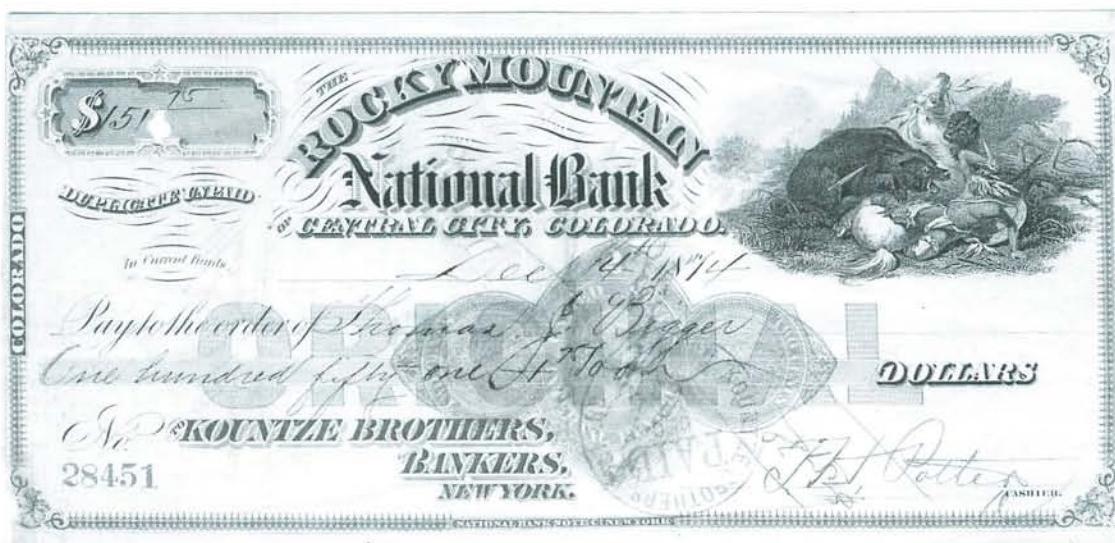
ularly called the National Banking Act, and in July 1865 merged the Bank of Dakota City into it.

In the spring of 1862, Luther Kountze came to Denver and opened a gold brokerage business in a corner of the Walter S. Cheesman drugstore on the southeast corner of Blake and 15th streets, under the title of Kountze Brothers. The Cheesman building burned in 1863, after which time the operation moved to the Tootle & Leach general store, and then in the spring of 1864 into its own new brick building erected on the northwest corner of 15th and Market streets. In 1866 this became the Colorado National Bank.

Kountze Brothers, Bankers, set up a branch in Central City at the southern corner of Main and Gregory streets, dealing in gold dust, land warrants, and exchange and "U.S. vouchers." Jerome Zerbe, a member of the Kountze family, was the local manager and conducted most of the business. This was reorganized

The Rocky Mountain Bank in 1873.





as the Rocky Mountain National Bank in 1866, charter #1652, with an authorized capital of \$200,000, of which only \$50,000 was taken up by subscriptions. William M. Roworth, a prominent local bakery operator, grocer, and hardware merchant, was the founding president, and Herman Kountze was the first cashier. On March 31, 1863, Kountze wrote to his brothers, "Handling gold is very much like dealing in stocks, and all it wants to break any man is to deal in them long enough."¹⁹ Herman was very cautious in his dealings and advised his brothers that gold traders in the East had no more feeling for the future of the market than did those in Colorado, and that the business was very risky. One should not take speculative "long" or "short" positions, but should simply make money by trading.

Kountze was soon succeeded as cashier by Joseph H. Goodspeed, who later moved to Thatcher, Standley & Co. in 1870, and was followed in the position by Joshua S. Raynolds, a local merchant and wholesaler of blasting powder for use in the mines. After the Teller House opened the bank moved there, where facilities were set up on the left side of the ground floor. Henry M. Teller was president. In 1879 assistant cashier Thomas H. Potter became cashier, in place of Raynolds, and Raynolds took the office of president. In 1882, Hal Sayre became president. Changes continued, until on January 1, 1916, the bank was absorbed by the First National Bank of Central City.

Top: Rocky Mountain National Bank draft, December 14, 1874, signed by T.H. Potter as assistant cashier.

Above: Draft, August 18, 1875, signed by cashier Joshua S. Raynolds.



Bank draft issued by Warren Hussey,
1869.

Warren Hussey & Company

Warren Hussey came from Des Moines, Iowa, to Denver in 1861 and established a banking and gold-trading business on April 14 of the same year. Advertised as Warren Hussey & Company, the facility was located within the William Graham drugstore, a two-story wooden building at the northwest corner of 15th and Market streets. A move was soon made to better premises in the Ford building at the northeast corner of the same intersection. In January 1863, Hussey opened a branch in Central City. Joseph A. Thatcher was taken in as a partner and given the position of cashier and manager of the new office.

Thatcher, a native of Kentucky, had come to Colorado in the summer of 1860 at the suggestion of John Ralston, with whom he formed a partnership. The pair left Kansas City with 10 wagons drawn by oxen and filled with merchandise to sell to the miners, each envisioning himself about to become a merchant prince. Thatcher arrived in Denver on horseback on July 17, five days in advance of the wagon caravan. There he found that while everyone talked about fortunes to be made in mining, most of the profits went to proprietors of saloons and gambling parlors. Thatcher and Ralston then headed for Central City, taking nine days to make the trip.

The timing was unfortunate, and profits did not materialize as hoped. In the spring of 1861, the placer or stream-bed activities petered out in the mountains, as most readily accessible gold had been extracted. As of yet, deep-rock mining had not become widespread. Thatcher sold out his stock of merchandise and bought a stamp mill to crush gold ore. He set up the machinery in Buckskin Joe camp, but nothing came of the location, and the mill was moved to Montgomery, where for a few months nearly 10,000 people were scrambling for gold. It seems that Ralston went off in some other direction. The Montgomery venture petered out, and Thatcher, who in the meantime had studied ores and had bought and sold several mines, moved to Central City. With his knowledge, Thatcher was a natural choice for Hussey to manage his private bank and to deal in gold, a trade that required expertise in order to determine its value. Every bank cashier in this or any other gold camp had to be very skilled in this art.

Thatcher, Standley & Company

Legal Tender Notes, or "greenbacks," became popular in the district, and the bank did a lively business trading in them, exchanging paper money for gold at varying rates. In 1870, Thatcher bought the Hussey business and with Joseph Standley formed Thatcher, Standley & Co. Warren Hussey moved to Salt Lake City, where earlier he had an interest in a banking partnership, after which he went to Washington Territory and then New York City.

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Draft issued by Thatcher, Standley & Co., 1872.

Standley, a native of Illinois, was born on November 1, 1838. As a child he went with his parents to homestead in what became known as Nebraska Territory. In 1863 he came to Central City, where he prospected along Clear Creek and its tributaries and operated a small ranch. In time he acquired the California mine, one of the richest in the district, and made a fortune.

Thatcher, Standley & Company had a declared capital stock of \$50,000. In addition to the founders, J.H. Goodspeed served as an officer.²⁰ Their office was on the north side of Lawrence Street a few steps east of the head of Main Street. The Concert Hall and Bellaire rooms were next door. Frank C. Young, the prominent young man who was well known in politics and as a promoter of musical and theatrical events, took the post of cashier. Young had served as city treasurer in 1871 and 1872, but lost his bid for a third term in April 1873. This was mainly caused by Thomas H. Potter assistant cashier of the rival Rocky Mountain National Bank, who, signing as "Taxpayer" in print in the *Register*, accused Thatcher, Standley & Company of controlling the finances of the city to the detriment of everyone.

On April 31, 1873, Young married his sweetheart, local teacher Carrie Sims, in a ceremony held in her home town of Beloit, Wisconsin. They returned to the city on October 26 of the same year and settled in a house at the corner of St. James and Second High streets.²¹

During the Panic of 1873 there was great excitement in Central City, and exchange rates varied dramatically. Late every afternoon, Thatcher would take the day's gold receipts and travel by stage to Denver, staying there overnight, and returning to Central City with more greenbacks in the morning. Thatcher, Standley & Company dominated the business, much to the disdain of the Rocky Mountain National Bank.

The First National Bank

The First National Bank of Central City was organized on September 15, 1873, with a capital of \$50,000, and was chartered on October 31, charter #2129. It succeeded Thatcher, Standley & Co. in the same office location on Lawrence Street. Joseph A. Thatcher was the founding president, Joseph Standley and Otto Sauer were vice presidents, and Young was cashier. These men were also incorporators of the bank, as were Samuel Mishler, William Marten, and Hugh C. McCandron. Sauer, a prominent merchant and developer in town, later became the bank's president.

The doors were opened for business on January 4, 1874.²² A few months later on the morning of May 21, cashier Young heard the shouts as fire broke out a few blocks away on Spring Street. Thatcher was on a trip to the East at the time. Realizing it was only a matter of time until the flames reached Lawrence Street,



FIRST NATIONAL BANK, CENTRAL CITY, COL.

JAS. A. THATCHER, Pres't.

FRANK C. YOUNG, Cash'r.

Young and the bank janitor, a black man named Henry Poynter, resolved to save what they could. Into a large metal lard can they stuffed \$100,000 in paper money, \$300,000 in securities, and other valuable papers. Poynter and Young took the large gold-weighing scales and apparatus, ledgers and records, and other items and put them into the vault. Poynter then headed off with the can, and secretly buried it under the porch of his home. Young stayed to watch as the flames licked the roof, then consumed the building.

Several days later the rubble had cooled to the point at which the safe could be opened. Although some papers were scorched, everything else was found to be intact. Poynter unearthed the paper money and securities, which were safe as well.²³ The First National Bank quickly went back into business in temporary facilities on the same side of Lawrence Street, between Church and Spring streets, in what became known as J.O. Raynolds' Beehive, from other businesses setting up shop there after the disaster. The fire stopped at the Raynolds building, where fireproofing precautions had been taken—a good thing, as the owner was

Advertising notice for the First National bank in the late 1870s. Main Street is on the left and Eureka Street on the right. The structure on the mountain in the distance is the St. Aloysius Convent and School.



View down Main Street with the brick First National Bank building partially visible on the right.

the Colorado agent for the Hazard Powder Company.

Early in 1875 a contract was let for a new building, described by the *Register* as, "a large, fine, two-story, seventy feet on Eureka, forty-five feet on Pine, and twenty-four feet on Main Street. The first floor is occupied by the bank and is lighted by three large windows of French plate glass. The circular counter is of the finest walnut, the center panels of veneered French walnut. For workmanship there is nothing like it in Colorado Territory."

The interior had a wooden-fronted division separating the lobby from the work area behind. At the right was a window marked GOLD, and to the left was one marked CHECKS. Near the GOLD window on the right, behind glass, was an assay scale where customers could watch their gold being weighed.

In the new building a large vault was built to house a 6,000-pound Herring safe at the right hand corner of the bank. The rest of the Eureka Street front was occupied by Chase & Sears, tobacconists, and the United States Post Office. The upstairs "accommodated one-half dozen lawyers, one physician, the clerk of the District Court, and the law offices of Judge James B. Belford, Colorado's first congressman." The flume carrying Eureka Creek was channeled under the bank building and the street and caused flooding problems over the years.²⁴

By 1879 the banks in town were doing a combined purchase and shipping business of \$125,000 to \$200,000 worth of gold per month. In the same year in his book on Colorado history, Frank Fossett gave this account of gold being brought in from a distance a few years earlier, this in addition to local bullion:



During the six months ending July 11, 1876, the First National Bank purchased 680 ounces 16 dwt and 6 grains of gold from the bar and creek diggings of Clear Creek County. Reckoning its value at \$19.00 per ounce, \$12,936. The other banks of Central purchased in the same time and from the same section, gold to the value of \$1,000 making a yield of \$13,936 for the first half of the present year. Very nearly all of the gold from this source is sold at those banks.²⁵

Clear Creek County is adjacent to Gilpin County and was home to stream-bed as well as hard-rock mining. Idaho Springs had its own gold strike in 1859, and gold (followed by large quantities of silver ore) was found in Georgetown in 1869.

Frank C. Young left Central City in 1882. He remained interested in the stage, and in the 1890s owned the Broadway Theatre in Denver and had other investments in the entertainment field. He wrote two books, *Across the Plains in '65* and the aforementioned *Echoes from Arcadia*.

After his departure, most banking business was conducted by F.H. Messinger, who succeeded Young as cashier, and Andrews N. Rogers, vice president, who was manager of the highly successful Bobtail Consolidated Mining Company, the best known mine in the area—the one that distinguished visitors were apt to tour. In a 26-month period between 1876 and 1878 the Bobtail mill crushed 57,371 tons of ore and was able to recover 73.5% of its assay value, considered at the time to be a fine accomplishment. From August 1 to September 30, 1882, the Great Mining and Industrial Exposition was held in Denver, a vast display with products from 4,551 different mines, including 678 tons of ore. The American Institute of Mining Engineers held a gathering in connection with the event, at which Rogers was elected a full member. No doubt his skill in evaluating

Interior of the First National Bank with "Gold" window at the right, with scales visible through a window.

gold was an important part of the continuing success of the First National Bank.²⁶ At the time, Messinger, also skilled in assaying and the evaluation of gold, was in charge of the La Crosse Mine in the district. Clearly, in this city of gold, mining and banking shared many talents. President Thatcher lived and spent his winters in Denver, and in the warmer season visited the bank only once or twice a month.²⁷ In 1884 Thatcher he rejoined Standley, and along with Dennis Sullivan, William H. James, Edward Eddy and James B. Grant, organized the Denver National Bank. Thatcher wrote a book, *A Colorado Outing*, which was popular in its time.²⁸

In 1891, Messinger was cashier and Otto Sauer was president of the First National Bank of Central City. Sauer lived in Denver, however, and for some time delegated the signing of much paper money to the bank's vice president. In 1914 the same offices were held by H.H. Lake and John C. Jenkins. On January 1, 1916, the institution absorbed the Rocky Mountain National Bank. The First National Bank remained in business until October 9, 1933, when it was placed in receivership, at which time the capital was just \$25,000.

"Black Charter" Notes of the First National Bank

In the 1860s and 1870s, National Bank Notes were printed in New York City under contracts with the American, National, and Continental bank note companies. At the Treasury Department in Washington, D.C., accounts were kept of each denomination issued by each bank. In time, the bills sustained wear and damage and were returned to the Treasury to be redeemed. Clerks had to carefully read the face of each note to determine the name of the bank and its location. The name was usually prominent, such as First National Bank, but the town and state were in much smaller type and were sometimes difficult to read. From 1863 until December 31, 1872, the total number of banks chartered rose to 2,073.

In 1873 the typical National Bank note of any denomination had overprints on the face, including the Treasury seal in red and two serial numbers, also in red, one being sequential for the given bank and the other being part of an overall Treasury Department system without regard to the issuing bank. In that year a plan was implemented to print the bank charter number as well. This brilliant move made it possible to instantly identify at a glance the particular bank that issued a bill presented for redemption. The Act of June 20, 1874, made this official. Charter numbers were used on notes from that time forward.

As an early experiment in adding charter numbers the Treasury Department directed the Continental Bank Note Company, contractor for the popular \$5 denomination, to enter numbers directly on certain printing plates. Peter Huntoon found that this procedure was used from November 15, 1873, to May 15, 1874.²⁹ This was prior to the Act of June 20, 1874, which required the addition of such numbers. As these \$5 notes had the charter number printed at the same time as the face design, it was in black. All had Allison-Spinner (1869-1875) Treasury signatures, except as noted below.

The experiment with black charter numbers was abandoned after at least 10, possibly as many as 14 banks had plates made with this feature. Later charter numbers were overprinted in color as a separate process, the style employed for thousands of different banks. After this time, certain of the experimental black-charter plates remained in use, including into the Series of 1875 issues, for which the plates were altered to add an imprint stating they were printed by the Bureau of Engraving and Printing. A vertical red imprint on the face, to the left of center, "SERIES 1875," identified notes of the new series.

As chance would have it, one of the recipients of "Black Charter" notes was the First National Bank of Central City, part of this brief roster:

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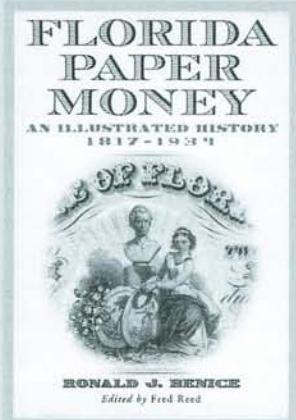
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Banks that Issued "Black Charter" Notes

- Charter #1644. First National Bank of Houston, Texas. New plate ordered by an earlier chartered bank. • Scofield-Gilfillan (1878-1881).
- #1830. Merchants National Bank of Minneapolis, Minnesota. New plate ordered by an earlier chartered bank when it changed its title.
- #2129. First National Bank of Central City, Colorado Territory.
- #2130. First National Bank of Red Oak, Iowa.
- #2131. Green Lane National Bank, Green Lane, Pennsylvania
- #2132. Kellogg National Bank, Green Bay, Wisconsin.
- #2133. First National Bank of De Pere, De Pere, Wisconsin.
- #2134. Peoples National Bank, Pueblo, Colorado.
- #2135. Commercial National Bank, Charlotte, North Carolina.
- #2137. National Bank of Boyertown, Pennsylvania.
- #2138. Rochester National Bank, Rochester, New Hampshire.
- #2140. First National Bank, Golden, Colorado Territory.
- #2141. National Bank of Pontiac, Illinois.
- #2142. National Bank of Schwenksville, Pennsylvania.

The Original Series four-subject \$5 plate made by the Continental Bank Note Company for The First National Bank of Central City in 1873 bore plate letters A-B-C-D. The notes carried Allison-Spinner Treasury signatures, a plate date of November 15, 1873, and the location was shown as Colorado Territory. A total of 2,475 Original Series sheets of the \$5s were printed from the plate and sent to the bank between 1873 and 1876.

These probably were signed in ink by cashier Frank C. Young and president Joseph A. Thatcher. Because Thatcher often traveled, a vice-president could have signed some for him. The Kelly census reveals that none have been reported.

The plate was altered to Series of 1875 by the Bureau of Engraving and Printing during early 1876, when plate making and printing operations were turned over the Bureau from the bank note companies. This was accomplished by changing the Treasury signatures to Allison-New and adding a medallion above the bank title stating "Printed at the Bureau Engraving & Printing Treasury Dept." The Continental Bank Note Company imprint, A-B-C-D plate letters, plate date, and the territorial designation were left unchanged.

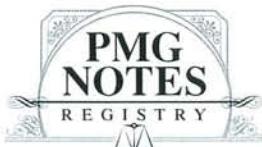
The first printing from the Series of 1875 plate was received at the Comptroller of the Currency's office on March 1, 1876. It involved 750 sheets, 3,000 notes, with Treasury serials A956881 to A957630, and bank serials 1 to 750.

The next printing was received at the Comptroller's office on January 26, 1877, bearing Treasury serials D27956 to D28555 and bank serials 751 to 1350. The plate was not altered into a state plate to reflect that Colorado had gained statehood on August 1, 1876, so these notes still bore the Colorado Territory label. No policy was adopted until the end of 1889 to alter territory plates into state plates when such changes occurred, so the plate continued to be used as was until it wore out in 1888. The last printing from it was received by the Comptroller on December 4, 1888, with Treasury serials Z469809 to Z470108 and bank serials 7951 to 8250.

A new \$5 Series of 1875 plate was made in 1889. The Continental Bank Note Company imprint was omitted from the lower border and the plate letters were advanced to E-F-G-H in line with conventions at the time. However, the location was left as Colorado Territory, even though this was clearly obsolete. The first printing from the new plate arrived at the Comptroller's office on April 1, 1889, with Treasury serials Z516234 to Z516663, and bank serials 8251 to 8650. Several additional printings were made over the next four years.

The Don C. Kelly Census reveals that six notes are reported from the A-

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First National Bank of Central City, Colorado \$5 "Black Charter" Note: Black charter number is vertically at the upper left and also horizontally at the upper right. Plate A, federal serial X638514, bank serial 6013. "CONTINENTAL BANK NOTE COMPANY" imprint above the date at the lower margin at the center. "Colorado Territory" address. Signed by F.H. Messinger as cashier and A.N. Rogers as vice-president.



First National Bank of Central City, Colorado \$5 "Black Charter" Note: Black charter number is vertically at the upper left and also horizontally at the upper right. Later issue, Plate G, federal serial Z516621, bank serial 8638. Continental imprint no longer at bottom center. "Colorado Territory" address. Same signatures as on the preceding note.



First National Bank of Central City, Colorado \$5 "Black Charter" Note: Later plate variety with "Colorado" state address (no mention of the territory) and 1890 date. Rosecrans-Huston signatures. (Proof impression, Smithsonian Institution)



B-C-D territorial plate, and 12 from the E-F-G-H territorial plate. This represent the highest survival rate known for any black charter issuer, and resulted because most of the notes were saved in an old hoard that was disbursed decades ago.

The E-F-G-H territorial plate finally was altered into a state plate in 1893. The Treasury signatures were changed to the then current Rosecrans-Huston combination, and an arbitrary plate date of Feb. 1, 1890, replaced Nov. 15, 1873. The plate letters were left unchanged as E-F-G-H.

Just 250 sheets were printed from the state plate, but only 55 were sent to the bank before the bank charter was extended, rendering the series obsolete. These bore bank serials 9051 to 9105. One state note is known to have survived. It bears serial Z968188-9105-H in Very Fine condition.

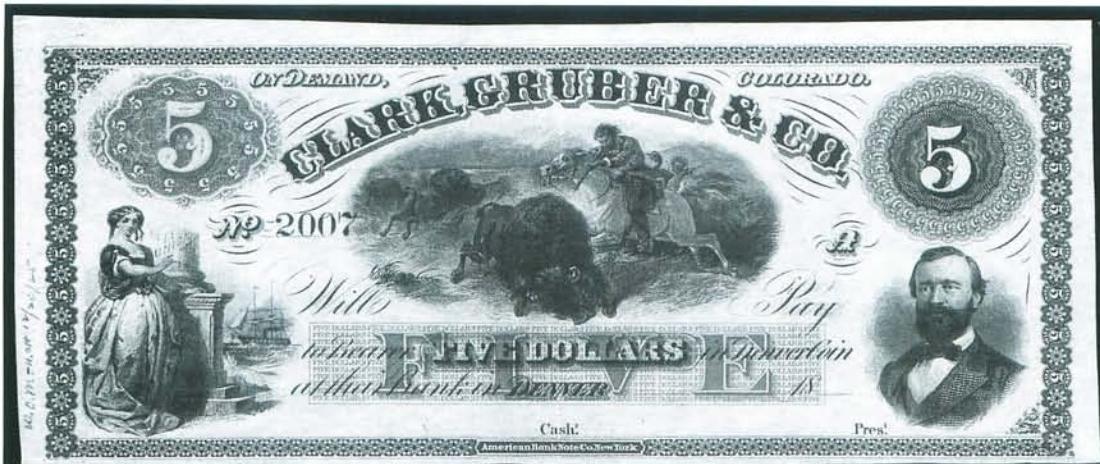
All of the Original Series and Series of 1875 \$5s, regardless of whether they were territory or state notes, were of the black charter variety. All also utilized the same Colorado seal on the left side of the back. The Colorado Territory seal was adopted as the state seal, so it never changed.³⁰

Clark, Gruber & Company

Mention must be made of the Central City banking activities of Clark, Gruber & Company, the name numismatists know best from the district. From the first discovery of gold until Legal Tender Notes became available in early 1862, goods were priced at a minimum of twenty-five cents. Gold dust, carried in buckskin pouches, served as payment. Otherwise, there were silver and gold coins brought from the East, but these were not plentiful, as noted earlier, and they often were shipped back in payment for goods. Gold coins of \$2.50, \$5, \$10, and \$20 minted by Clark, Gruber & Co. in Denver in 1860 and 1861 were in common use for large transactions. About \$3 million face value in such coins was minted. Currency notes of \$5 denomination, exchangeable in gold, were also issued by Clark, Gruber & Co., from American Bank Note Company plates, but are extremely rare today. All silver and gold coins traded at a premium in comparison to Legal Tender bills as did Clark, Gruber & Company's \$5 bills. The last provide a curious footnote in history, in that private paper money was worth more than that of the same denomination issued by the government!

Clark, Gruber & Co. was one of the most important of the early banks in Denver. The house had been formed in Leavenworth, Kansas Territory some time after Milton Clark's arrival there in 1855, when set up in business as a grocer. In Denver in 1860 the firm constructed a two-story (plus basement) brick building for use as a bank and mint, equipped with coining machinery acquired in Boston in late 1859. This operation continued until 1862, when it was sold to the

First National Bank of Central City, Colorado \$5 "Black Charter" Note, the common back used on all known notes.



A \$5 note issued by Clark, Gruber & Company of Denver, with a branch in Central City. These were redeemable in gold coins, and in 1862 they were worth more than government Legal Tender Notes.



A \$10 gold eagle issued by Clark, Gruber & Co. (enlarged) beginning in July 1860. By 1862, about \$3 million in gold coins had been produced by the firm, in denominations of \$2.50, \$5, \$10, and \$20.



United States government, which conducted it as the Denver Mint, actually an assay office and depository, as no federal coins were struck there. The Denver Mint we know as a producer of coins opened in 1906 in a new building.

Afterward, the firm continued independently as a banker and trader in gold. George T. Clark set up a bank under his name in Denver. This was succeeded by the First National Bank of Denver, authorized on April 17, 1865, which opened for business on May 7. Clark was the first cashier, a position he held until he resigned on September 4, 1866.

Clark, Gruber & Co. set up an agency in Central City. The *Tri-Weekly Miner's Register*, October 31, 1862, included this advertisement:

Banking House of Clark Gruber & Co., Central City.

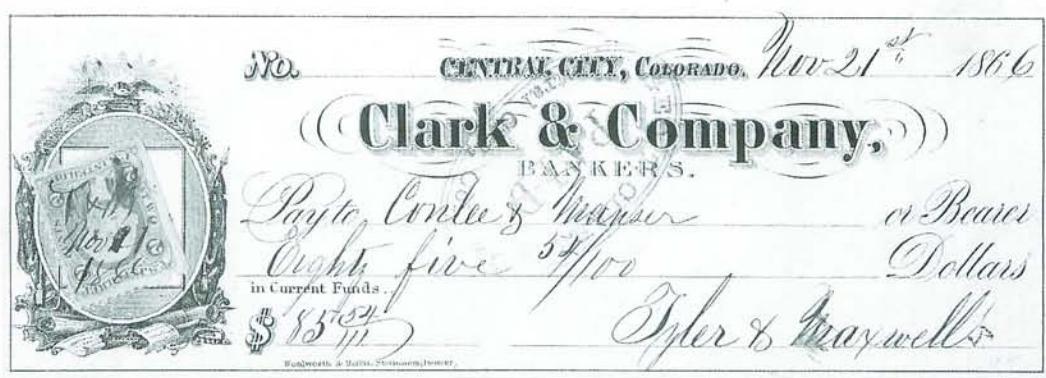
Having concluded to engage in a legitimate banking business, we are ready to receive deposits, buy gold dust, sell exchange on the principal cities of the East, and Europe, ship gold dust to the New York Assay Office, or Philadelphia Mint for coinage and sale, make advance on the same in Exchange, coin or Treasury Notes at the lowest rates.

We will also receive gold dust for shipment to the Denver Assay Office, making returns within five days; purchase the bars or bullion at the

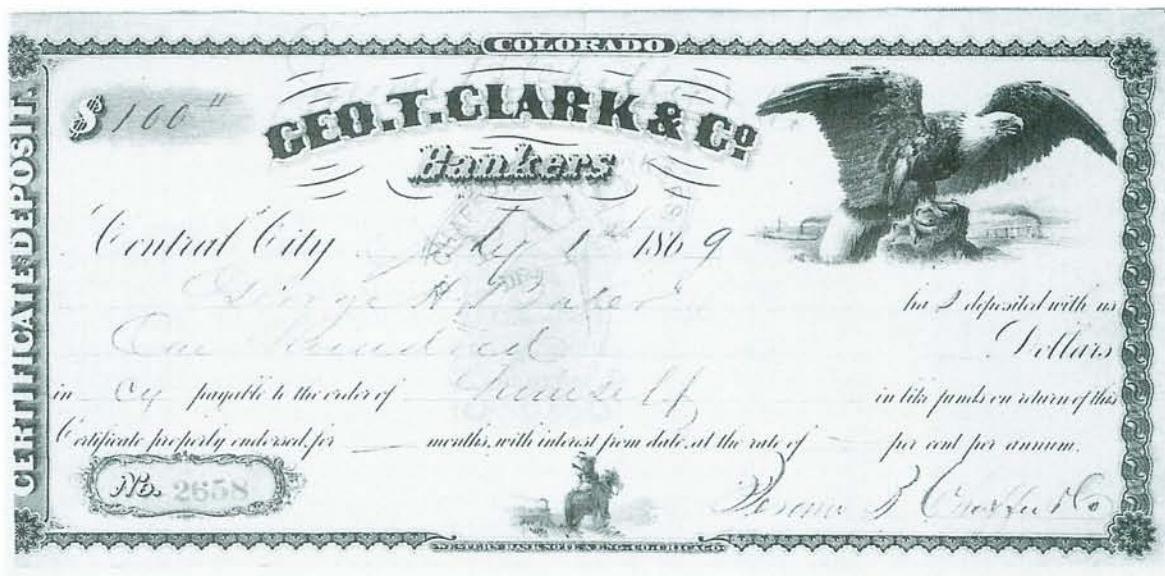
assayer's value, allowing the highest premium in Treasury notes or exchange that the Eastern markets will justify.

We will pay a liberal interest to regular depositors on current account for deposits of Treasury notes, exchange, coin, or other available funds, and attend strictly and promptly to all matters and business connected with a general banking business.

Clark, Gruber & Co.



Clark & Co., Central City, bank draft of 1866.



George T. Clark & Company

In April 1864, Clark, Gruber & Co. transferred ownership to George T. Clark and Eben Smith. The firm subsequently operated as Clark & Co. and George T. Clark & Co.

On September 4, 1866, George resigned his Denver position and moved to Central City.³¹ George T. Clark & Co. advertised trade in "gold dust, coin, bullion, and exchange."³² This business was succeeded in July 1869 by the following.

Jerome B. Chaffee & Co.

Jerome B. Chaffee & Co., at Eureka and Main streets, with an office in Georgetown as well, posted this notice in 1869:

Geo. T. Clark & Co., Central City,
certificate of deposit of 1869.

The principal stockholders of the First National Bank of Denver constitute the firm and are responsible for the deposits and business of the house. Having succeeded to the business of George T. Clark & Co., at Central City and Georgetown, we propose to do a general banking and exchange business.

Buy gold dust, coin, bullion, and exchange at current rates. Sell sight exchange upon the principal cities of the United States and Europe.... We make advances upon gold dust or bullion, sending the same to the U.S. Mint for assay, making returns at the lowest rates.

In addition to the First National Bank of Denver, the Fourth National Bank of New York, Third National Bank of St. Louis, Third National Bank of Chicago, and the Omaha National Bank were listed as references.



Check drawn on Jerome B. Chaffee & Co., 1871.

An 1870 advertisement had similar information:

Exchange on Central, Denver, Chicago, New York, and all the principal cities in the United States bought and sold. Exchange on England, Ireland, Scotland and Continental Europe drawn in sums to suit purchasers. Collections made throughout the Territory or United States, and promptly remitted for at current rates of exchange. Gold dust, coin, bullion, currency, exchange. Government securities bought and sold. A full supply of revenue stamps constantly on hand.

Jerome Chaffee was also prominent in politics, served in the State Legislature in the early 1860s. In 1865, when the Legislature forwarded a proposal for statehood, he was named by that body to be one of two United States senators. The matter did not come to pass at the time. He did serve in the 42nd Congress as a representative from Colorado Territory.

Other Early Central City Banks and Bankers

In the greater Denver district there were many dealers in gold dust, often agents for bankers in cities such as Leavenworth, Omaha, Atchison, and St. Joseph to the east. These men visited the gold camps, including Central City, and generally paid from \$12 to \$16 per ounce, depending on their evaluation of its fineness. In the early years the express charge to take gold east from Denver was 5% of its declared value. Their presence in Central City was usually brief, they did not advertise widely if at all, and little about their identities can be learned today.

In 1860, Dr. O.D. Cass, a physician, opened a brokerage business in Denver, with his brother, Joseph B., from Leavenworth, and G.H. Wilcox as partners. This evolved into the Exchange Bank with connections to Carney &

On This Date in Paper Money History -- Sept. 2009

By Fred Reed ©

Sept. 1

1807, Bank of the Manhattan Company founder and Vice President Aaron Burr acquitted of treason; **1875**, Government contract with National Bank Note Co. for printing revenue stamps commences; **1942**, Lee Hewitt appointed temporary Editor of *The Numismatist*;

Sept. 2

1789, Congress establishes the Treasury Department, headed by a Secretary; **1964**, BEP begins printing \$20 Federal Reserve Notes with motto "In God We Trust";

Sept. 3

1883, Postal notes, engraved/printed by Homer Lee BN Co., first issued at local post offices; **1869**, Treasury Department sends first \$30,000 of new Abraham Lincoln 50-cent Fractional Currency to the U.S. Treasurer; **2002**, first Nepal polymer note;

Sept. 4

1862, NYT reports "Postage Currency at a Premium"; **1963**, date on New York World's Fair "\$1.00 Fair Money" model currency promoted by Security Columbian Bank Note Co. for use at the 1964 New York World's Fair;

Sept. 5

1826, developer of anti-photographic green ink for currency Dr. Thomas Sterry Hunt born; **1930**, paper money researcher Walter Breen born;

Sept. 6

1838, Colonial and Continental Currency paper money author Henry Phillips born; **2006**, Stack's and American Numismatic Rarities announce merger;

Sept. 7

1819, Vice President Thomas A. Hendricks (FR 291-297, so-called Tombstone Note) born; **1945**, Special Allied Military yen notes issued for Korea; **1958**, collector Frederick Cogswell Charles Boyd dies;

Sept. 8

1915, Thomas Edison's feature film *The Money Master* premieres; **1980**, *Price Guide for Bicentennial \$2 Bill Cancellations* by Andrew J. Vero copyrighted;

Sept. 9

1890, Comptroller of Currency orders overprinting of charter # in upper right corner on Series 1882 Brown Back faces; **1965**, first delivery of Series 1950E \$5 FRNs;

Sept. 10

1813, Battle of Lake Erie (FR 452-463) fought; **1915**, first Federal Reserve branch opened in New Orleans; **1942**, Palestine Currency Board issues £100 banknotes;

Sept. 11

1879, S.K. Harzfield offers Fractional Currency at auction; **1952**, Sociedad Numismatica de Mexico founded; **2002**, BEP closes public tour in honor of 9/11;

Sept. 12

1799, Cayuga Bridge Company emits 6 1/4 cent notes engraved by Peter Maverick; **1970**, SPMC Treasurer I.T. Kopicki, the only Society member who signed large size NBNS, dies;

Sept. 13

1789, NYC banks make first loan to U.S. government; **1996**, *The Truth Machine* by Heritage Rare Coins co-chairman Jim Halperin copyrighted;

Sept. 14

1812, City Bank of New York opens for business; **1909**, Artist and banknote engraver James David Smillie dies; **2001**, Robert Hoge assumes duties as ANS Curator of American Coins & Currency;

Sept. 15**Sept. 15**

1755, New York Colonial Currency (FR NY138-141) bears this date; **1834**, Treasury Secretary William Crawford (FR 1380-1381) dies; **2001**, Salt Springs Island (Canada) dollars local currency introduced;

Sept. 16

1843, Earliest verified issue of *Thompson's Bank Note Reporter*; **1946**, Series 461 MPCs issued in European Theater; **1970**, end of Kennedy-Elston combined tenure as Treasury Secretary and Treasurer;

Sept. 17

1859, San Francisco paper money issuer Joshua Abraham Norton proclaims himself "Emperor of these United States"; **1868**, Bureau of Engraving and Printing becomes official title for the currency production bureau;

Sept. 18

1862, Union general Joseph King Mansfield (FR 185a-g) dies; **1879**, Philadelphia and Reading Rail Road Co. issues "Wages Certificates";

Sept. 19

1866, *Brooklyn Daily Eagle* newspaper reports counterfeit \$50 Compound Interest Notes, issue of July 16, 1864, are afloat; **1996**, Alan Greenspan speaks on "Regulating Electronic Money" at Treasury Conference on Electronic Money & Banking;

Sept. 20

1873, Panic envelopes NYSE, railroad bond defaults and bank failures lead to 10-day NY bank holiday; **1928**, SPMC member Roman L. Latimer born;

Sept. 21

1832, Bank of Scotland currency subject poet Sir Walter Scott dies; **1867**, Register of the Treasury S.B. Colby leaves office; **1926**, researcher/author Russ Rulau born;

Sept. 22

1862, CSA congressman Miles presented a design for a Confederate seal; which was referred to the Committee on Flag and Seal; **1943**, BEP commences printing Series 1934A \$5 HAWAII emergency notes;

Sept. 23

1861, last CSA Richmond first issue \$50 and \$100 notes issued; **1911**, Postal Inspectors arrest ex-U.S. Treasurer Daniel N. Morgan for mail fraud; **1916**, ANA annual convention convenes at Baltimore's Peabody Institute;

Sept. 24

1924, Inventor Elizabeth Magie Phillips patents enhanced board game, forerunner of "Monopoly"; **1955**, Stack's sells Frank A. Limpert Collection; **1971**, Walt Disney's \$1,000,000 Duck released to public;

Sept. 25

1970, Lester Merkin auction includes assay medals and encased postage stamps; **1981**, Bob Medlar sells Glenn B. Smedley paper money collection;

Sept. 26

1820, Daniel Boone, who appears on banknotes of Illinois and Kentucky, dies; **1945**, old Dutch banknotes declared invalid;

Sept. 27

1868, Peter Campbell arrested for passing fake \$10 greenback at a Brooklyn saloon; **1995**, Treasury unveils new designs for Series 1996 \$100 "NextGen" FRNs;

Sept. 28

1850, Congress authorizes military Bounty Land Scrip for veterans of Indian Wars, and others; **2004**, "First spend" ceremony kicks off release of "NextGen" \$50 FRNs;

Sept. 29

1547, Author Miguel de Cervantes, honored on a Spanish 100-peseta note, born; **2004**, Bank of Canada circulates new \$20 Canadian Journey note;

Sept. 30

1913, Napier-Burke combined tenure ends; **1939**, H.K. Crofoot displays stamped Treasury paper which was forerunner to Postage Currency at the ANA convention; ♦



Stevens in Leavenworth. The business was moved to a building on Blake Street, near Cherry Creek, but was destroyed by a flood on May 21, 1864, when a wall of water 15 to 20 feet high, the result of the spring melting of snow in the mountains, wiped out much of the city. The bank moved, and then in 1868 was relocated to the Henry C. Brown building on the southeast corner of 16th and Market streets.

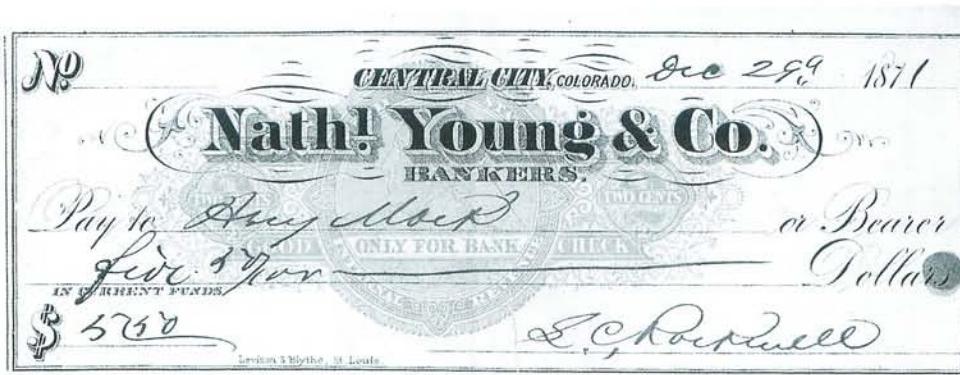
In the meantime the Exchange Bank opened a branch in Central City and operated it in conjunction with the agency for the Holladay Overland Mail Stage Company. The Central City business was sold to Holladay in 1865, after which time he discontinued the banking operation.

In March 1863 *The Banker's Magazine* advised that Messrs. Horton, Pratt & Company had established a banking house in Central City, with the Park Bank in New York City as correspondent. The same issue told of Warren Hussey setting up and with the same banking connection in New York.

Bela S. Buell was another local banker in 1870, as listed in the *Rocky Mountain Gazetteer and Colorado Gazetteer* published in 1871, although banking was only a part of his extensive activities. Born in New Hampshire in 1836, Buell arrived in Central City on May 6, 1860. Fossett wrote this:

B.S. Buell was county clerk and recorder. Although all of these offices were then very lucrative, that of recorder stood first in regard to profit. For nearly four years, from ten to fifteen clerks were employed, and during this time Buell's position was worth about \$20,000 per annum. This was owing to the vast amount of recording caused by numerous sales and discoveries of property, to the consolidation of the districts, etc. ³³

Buell became a man of great wealth and was the owner of important mining and milling operations in the district. Specimens labeled "Buell Gold Mine" were on display at the Centennial Exhibition held in Philadelphia in 1876.



Draft issued by Nath'l Young & Co. in 1871.

In 1870 Nathaniel Young was listed as a bank clerk working on Main Street. Soon afterward he traded as Nathaniel Young & Co., Bankers. After the disastrous Chicago fire of 1871 his office was a local depot for the collection of clothing to send as part of the relief effort. The firm seems to have been in business for just a short time.

On November 17, 1875, the banking firm of Hanington & Mellor moved into the right-hand side of the handsome new brick Mellor Block on Lawrence Street, built at a cost of \$17,000 on the wide site where the Montana Theatre, Concert Hall, and First National Bank had been burned out in the May 21, 1874, fire. Robert A. Campbell, agent for the Kansas City Express, was another occupant.³⁴ For a short time earlier, Henry Hanington and John Mellor, well-financed newcomers to the city, had done a banking and gold-buying business in a temporary wooden structure. Hanington left town in 1882, and it seems that the bank closed its doors a few years later.

In 1871 a fraudster named Abel Endelman came to Denver, and under the

On This Date in Paper Money History -- Oct. 2009

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Oct. 1

1854, small notes of out-of-state banks become illegal to use in Ohio as result of Ohio act of May, 1854; **1863**, Jay Cooke, as financial agent for the U.S. Treasury, publishes flyers to solicit sales of 5-20 bonds; **1878**, O.H. Irish becomes BEP Director;

Oct. 2

1814, John Elliott Ward, who appears on Confederate \$10 notes, born; **1890**, Groucho Marx, who said "money frees you from doing things you dislike," born;

Oct. 3

1776, Continental Congress spurns pound-Sterling funding in favor of dollar-denominations; **1857**, Checklist of Encased Postage Stamps author William F. Dunham born; **1964**, Warner Brothers circulates paper "wampum" in connection with release of James Stewart western *Cheyenne Autumn*;

Oct. 4

1761, St. Louis banker and Texas colonizer Moses Austin born; **1862**, W.E. Hilton begins advertising Confederate facsimile notes in *Harper's Weekly*; **2003**, new Iraqi banknotes unveiled to public in Baghdad press conference;

Oct. 5

1892, Dalton gang bank spree ends in Coffeyville, KS shootout; **1896**, Hiram E. Deats member of the initial board of governors of Collectors Club of New York elected chairman; **1961**, first delivery of Series 1953B \$5 USNs;

Oct. 6

1864, Lucius Chittenden refutes charges that Lincoln demanded his pay in specie or gold certificates while requiring soldiers to accept greenbacks; **1922**, late SPMC member, dealer Harry J. Forman born;

Oct. 7

1857, Treasury Secretary Louis McLane dies; **1954**, Fort Worth (TX) Coin Club organized; **1978**, Iowa Numismatic Association celebrates 40th anniversary;

Oct. 8

1919, paper money collector Waldo C. Moore becomes ANA President; **1979**, SPMC liquidates most back issues of *Paper Money*; **1991**, Slovenian tolar introduced, provisional payment notes issued;

Oct. 9

1781, "Swamp Fox" General Francis Marion, depicted on Confederate \$100 note, receives the thanks of U.S. Congress; **1869**, first issue of Series 1869 Legal Tender "Rainbow Notes," according to Walter Breen;

Oct. 10

1771, Connecticut Colonial Currency (FR CT164-168) bears this date; **1863**, Second Issue Fractional Currency commences, according to U.S. Treasurer Jas. Gilfillan;

Oct. 11

1901, Banknote engraver James Bannister dies; **1937**, Treasury Secretary Ogden Mills dies; **2007**, Stack's sells J.J. Ford Jr. collection of Civil War postage stamp envelopes;

Oct. 12

1715, Robert Walpole becomes British Chancellor of the Exchequer; **1837**, Congress authorizes treasury notes requiring signatures of BOTH Register and Treasurer for first time; **1839**, Bank of Virginia suspends specie payments for second time in 30 months;

Oct. 13

1862, CSA Congress passes Act to fund \$200 million in Confederate notes in 8% bonds; **1952**, Chet Krause launches *Numismatic News*;

Oct. 14

1894, U.S. Secret Service agent from Omaha travels to Lincoln, NE to confiscate aborted 1872 City of Lincoln scrip notes which have surfaced lately in the community; **2003**, Lincoln National Bancorporation Inc. merges with BancFirst Corporation;

Oct. 15

1904, ANA annual convention convenes at St. Louis World's Fair; **1924**, Treasury begins calling bond issues having note circulation privilege;

Oct. 16

1806, Treasury Secretary William Pitt Fessenden (FR 539-548) born; **1893**, Engraver Robert Ponickau appointed to position at BEP;

Oct. 17

1817, Planters and Mechanics Bank of Huntsville, Mississippi Territory opens for business; **1894**, British Honduras issues dollar-denominated paper money;

Oct. 18

1862, S.C. Upham advertises 35 different Rebel notes, shinplasters and postage stamps in *Harper's Weekly*; **1972**, ceremonies mark designation of Treasury Building as a National Historic Landmark;

Oct. 19

1752, Benjamin Franklin explains his kite flying electricity experiment (FR 479-492) conducted the previous June to British scientific community; **1987**, Dow Jones Industrial Average plunges 508 points on "Black Monday";

Oct. 20

1859, ANS holds last meeting prior to end of Civil War; **1961**, Treasury Secretary Dillon determines that one million dollars in uncurrent currency "has been irretrievably lost or destroyed and so will never be presented for redemption";

Oct. 21

1938, Dealer and author Q. David Bowers born; **1977**, *The Comprehensive Catalog of U.S. Paper Money* by Gene Hessler revised ed. published;

Oct. 22

1900, Treasury Secretary John Sherman (FR 664-685a) dies; **1975**, SPMC receives first shipment of ABNCo engraved membership cards still in use until this past June;

Oct. 23

1931, Exchange Bank of Pittsburgh liquidated; **1993**, Crawford's *Statue of Freedom*, which appears on Demand and Legal Tender Notes, is repositioned atop the Capitol Dome after four months restoration work;

Oct. 24

1906, counterfeit detector publisher John Martin Clapp dies; **1977**, Irish pound note depicting Medbh, Queen of Connaught, released;

Oct. 25

1844, Banknote engraver Vistus Balch dies; **1936**, Collector E.H.R. Green ensconces his massive collection in FNB of Boston;

Oct. 26

1831, Confederate currency collector John Wiley Aulick born; **1871**, Treasury agents arrest three in Brooklyn with plates for Lincoln 50-cent Fractional Currency fakes;

Oct. 27

1856, Corresponding Committee of County of Herkimer, NY opposes candidacy of Honorable Francis E. Spinner for Congress; **1971**, SPMC member Matt Janzen born;

Oct. 28

1823, encased stamp issuer William Weir born; **1995**, SPMC Board raises dues to \$24 effective in 1996; **2004**, Check 21 substitute checks debut under U.S. Congress' "Check Clearing for the 21st Century" Act;

Oct. 29

1817, Banknote engraver John Gavit born; **1919**, King of Belgium tours BEP; **2006**, Bank of England announces composer Sir Edward Elgar will be replaced on 20-pound note by economist Adam Smith;

Oct. 30

1776, Treasury Secretary George Bibb born; **1944**, Federal Reserve Bank of San Francisco permits Hawaii-overprinted currency to circulate on mainland U.S.;

Oct. 31

1791, Jefferson protégé Philip Freneau publishes first issue of the *National Gazette*, an anti-Federalist, anti-national bank newspaper; **1861**, citing failing health, 94-year-old Commander of the U.S. Army General Winfield Scott (FR 212e), resigns;





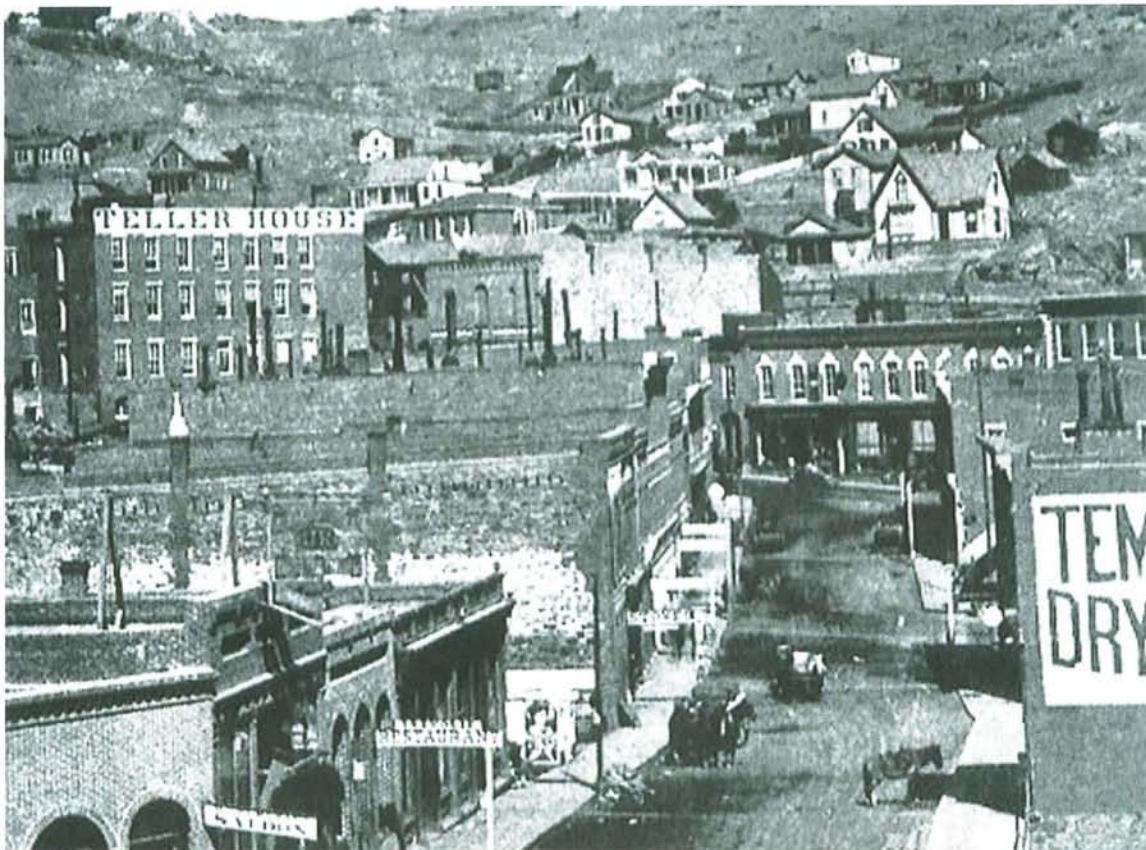
The bank of Hanington & Mellor on Lawrence Street.



Bank draft issued by Hanington & Mellor, 1881.

name of Benjamin Erlanger conducted the Denver Savings Bank on Larimer Street, this being a combination bank, pawnshop, and gold-dust buying operation. Soon afterward he opened a branch "bank" in Black Hawk. On November 3, 1873, Endelman disappeared, taking customers' deposits with him. No recovery was ever made.

In 1880 the bank of Sam Smith & Company began operations in Black Hawk.



Postscript

So ends the story of "Black Charter" notes and Central City. From the 1860s through the 1880s the Little Kingdom of Gilpin was a beehive of banking activity. How fortunate we are that some of these distinctive Black Charter notes with the anachronistic territorial address survive today.

From the First National Bank of Central City, charter #2129, the Don C. Kelly Census records 34 surviving notes totally, these including, besides the previously delineated Black Charter \$5s, one Original Series \$2, one 1882 Brown Back \$5, four 1882 Date Back \$5, three 1902 Plain Back \$5, one 1902 Plain Back \$10, three 1929 Type I \$20, and two 1929 Type I \$20.

Notes of the Rocky Mountain National Bank, charter #1652, comprise two Series of 1875 \$5, two 1882 Brown Back \$5, and one 1882 Brown Back \$10.

Appreciation

Arthur A. Reblitz reviewed the manuscript and made suggestions. • Bob Chow provided images of bank checks and other memorabilia. • Certain photographs and illustrations were obtained from the Denver Public Library, Western History Collection, including William Henry Jackson (Call No. WHJ-1566) and Harry Lake (Call No. L-561). • Mark Evans of narrowgauge.org furnished several pictures of Central City from the Ted Kierscay collection. • Richard Frajola provided images from the Frederick Mayer collection and certain historical information. • Fred Holabird provided a photograph. • Peter Huntoon provided much information about Black Charter notes in general and certain information and an image of a proof note the First National Bank of Central City in particular, this being from the Smithsonian Institution. • Larry Lee shared information on Colorado banking and made suggestions. • Brian Levine provided an image. • John Saddy supplied an image of a stereograph card. • Dennis Tucker assisted with illustrations.

View looking up Lawrence Street to the block containing the Hanington & Mellor office, just before the street angles slightly to the left.

End Notes

1. Bayard Taylor, *Colorado: A Summer Trip*, pp. 56-70.
2. H. William Axford, *Gilpin County Gold*, 1976, p. 13.
3. *Our New West. Records of Travel Between the Mississippi River and the Pacific Ocean*, 1869, p. 97.
4. As republished in *New Life in New Lands: Notes of Travel*, 1872, pp. 77-79. Grace Greenwood was the *nom de plume* of Sarah J. Clarke, who in 1853 became Mrs. Leander Lippincott. From the 1840s onward she contributed articles to many magazines and newspapers.
5. *New York Times*, June 18, 1859, and July 27, 1859, carried multiple dispatches from the West telling of Gregory's find and others involved in the rush for gold.
6. Frank C. Young, *Echoes from Arcadia*, 1903, p. 87.
7. As quoted by H. William Axford, *Gilpin County Gold*, p. 20.
8. Communication, April 17, 2009.
9. Frank Fossett, *Colorado*, 1879, p. 71.
10. Professor Hill, as he was known, served as mayor of Black Hawk in 1871, and as a representative to the Territorial Council in 1872 and 1873. He moved to Denver in 1873 and prospered in real estate and ore smelting and as owner of the *Denver Republican* newspaper. He served as a United States senator from March 4, 1879, until March 3, 1885.]
11. Information from the Denver Public Library.
12. *Rocky Mountain Directory and Gazetteer for 1871*, S.S. Wallihan & Company, Denver, 1870, is the source of much of the contemporary information given here.
13. Multiple sources, including Caroline Bancroft, *Gulch of Gold*, 1959; and the carefully researched book by H. William Axford, *Gilpin County Gold*, 1976.
14. Caroline Bancroft, *Gulch of Gold*, 1959, p. 86.
15. *Ibid.*, p. 261.
16. Daniel Pidgeon, *A Engineer's Holiday*, 1882, p. 130.
17. William H. Axford, *Gilpin County Gold*, 1976, p. 179.]
18. Caroline Bancroft, *Historic Central City*, 1968.
19. As quoted by Thomas J. Noel, *Growing Through History with Colorado*, 1987, p. 2.
20. Sources include Alice Polk Hill, *Colorado Pioneers in Picture and Story*, Denver, 1915.
21. Caroline Bancroft, *Gulch of Gold*, 1959, p. 201.
22. Frank Hall, *The History of Colorado*, Volume II, p. 210.
23. Caroline Bancroft, *Gulch of Gold*, 1959, pp. 206-207.
24. Frank R. Hollenback, *Central City and Black Hawk, Colorado, Then and Now*, 1961, p. 27.
25. Frank Fossett, *Colorado*, 1879, p. 321.
26. H. William Axford, *Gilpin County Gold*, pp. 53-55.
27. Caroline Bancroft, *Gulch of Gold*, 1959, p. 251.
28. Joseph Addison Thatcher was president of the Denver National Bank until 1913. On September 14, 1918, the State of Colorado Fountain, also called the Thatcher Memorial Fountain, was his gift to the state. This consisted of a bronze statuary group by Lorado Taft, and a surrounding basin, created at a cost of \$100,000.
29. Peter Huntoon, *National Bank Notes*.
30. Peter Huntoon, communications, September 29, 2008, and April 18 and 23, 2009.
31. Among other activities, Clark was an early mayor of Denver and an agent for Hinckley's Express.
32. Ovando J. Hollister, *The Mines of Colorado*, 1867.
33. Frank Fossett, *Colorado*, 1879, p. 117.
34. November 17, 1875.

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www.wheresgeorge web site has recorded 154 million bills!

AT THE RECENT MEMPHIS INTERNATIONAL Paper Money Show Mark Anderson and Frank Clark presented me with wheresgeorge bills, and I was already carrying one in my pocket at the time. The website www.wheresgeorge, on which users can record bills in their possession and track their movements, continues to rock along. On a recent date there were 154 million-plus bills in the system, totaling more than \$840 million bucks. All three bills were spent in Kentucky after the show. I received the bill shown here before the Memphis show. According to the wheresgeorge.com web site it was first recorded in April in Wichita Kansas. Where it will show up from Kentucky is anyone's guess.

Since I hadn't logged on to the website in many months, I went to my user page to find out that I rank #9,121 out of 52,004 "current" users. I thus rank in the 82nd percentile. My

George Score is 572.73, with a hit rate of 20.47% (26 bills with hits out of 127 bills entered). My "Slugging percentage" is 25.98, since the bills have received a total of 33 hits. One of my bills recorded three subsequent hits. Five were hit twice, and 20 once. My bills popped in Florida, Rhode Island, California, Arkansas, Ohio, Missouri, Illinois, Mississippi, Michigan, Texas, Tennessee and Oklahoma. -- Fred Reed ♦



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THE BUCK Starts Here

A Primer for Collectors
BY GENE HESSLER

Several Indian Chiefs appear on paper money

THERE ARE IMAGES OF INDIANS WITHIN LARGER scenes on U.S. federal paper money i.e., *Columbus in Sight of Land* on First Charter \$5 National Bank Notes, *DeSoto Discovering the Mississippi* on First Charter \$10 National Bank Notes and Series 1918 \$500 Federal Reserve Notes, and the *Baptism of Pocahontas* on the First Charter \$20 National Bank Notes. However, there is only one Indian chief on a federal note: Chief Running Antelope on the \$5 Silver Certificate Series 1899.

For years-- and in some circles and publications it persists--this subject is improperly identified as *Onepapa*. The title below the Alexander Gardiner portrait in the Smithsonian is *Onepapa* an accepted variation of *Hunkpapa*. The "c" could be and was interpreted as an "e" until a researcher, the late Forrest W. Daniel, cleared up this mistake in this publication *Paper Money*, No. 161, 1992. Ta-to'-ka-i-n'-y-a-n-k-a (Running Antelope) was a member of the Onepapa Sioux tribe.

The Gardiner portrait shows Running Antelope with a few single feathers in his hair. A full war bonnet appears on his head as seen on the \$5 Silver Certificate, one of the most popular notes with collectors. This magnificent portrait based on Gardiner's photograph was engraved by G.F.C. Smillie.

On non-federal U.S. obsolete notes there are images of all types of Indians: Indians alone, Indian families, Indians hunting, on foot and on horseback, and other examples too numerous to mention. There are at least three Indian chiefs who are recognized on obsolete notes: Joseph Bran(d)t (Thayendanega), Cornplanter and Red Jacket. There is also an image of Waa-bin-de-ba (White-headed Eagle) on obsolete notes. However, I cannot confirm that he was a chief.

Considering all the Indians on obsolete notes, they will leap out at you if you go through most dealer's stock of notes. If you have access to the four-volume *Standard Catalog of United States Obsolete Notes 1782-1866* by James Haxby, you will see hundreds of Indian images.

Two pieces of military payment certificates have images of Indians, both Series 692. This is the last series, withdrawn in March 1973, to be issued to and used by U.S. service men and women on duty outside the U.S. The likeness of Chief Ouray on the \$20 note was engraved by F.H. Noyes. On the original engraving at the Bureau of Engraving and Printing, I noticed the engraver had included his name in microscopic letters. When the portrait was transferred to the final plate the name was removed. Mr. Noyes was engraving at the BEP as early as 1877, however, this is the only portrait I can confirm that he did at the BEP.

The deletion of Mr. Noyes's name reminds me that on paper money and postage stamps from other countries, the names of the artist and engraver is shown in tiny letters in the lower borders. I wish the U.S. would adopt this practice and give credit to the designers and engravers at our (BEP), and in the case of postage stamps, the artist outside the BEP.

A portrait of Hollow Horn Bear graces the \$10 note. This engraving by L.S. Schofield is based on a photograph by DeLancey Gill. Both this and the Chief Ouray note are extremely attractive notes, however, they are rather expensive in all conditions.

The next time you attend a numismatic show, search out a dealer in stock certificates. If the subject of Indians intrigues you, you will find some on canceled stock certificates--many for as little as \$10, or less. However, the sub-

ject of engraved images of Indians on stock certificates is a subject for another time.

(Reprinted with permission from *Coin World*
June 28, 1999)



Nathan Gold Lifetime Achievement Award Honors John & Diana Herzog

Shortly after the end of the Civil War, a man named Roland M. Smythe came to New York and soon found work on the New York Stock Exchange. After a bad experience with worthless bonds, he created a new specialty, establishing in 1880 a company bearing his name, and advertising his services as an "Obsolete Securities" specialist.

Smythe died in 1931, and the firm continued under various owner/managers until 1966, when a young trader at Herzog & Co., Inc. a firm specializing in inactive and obscure stocks and bonds, was introduced to the firm. A transaction ensued shortly and Smythe's three employees, several filing cabinets and about a thousand books moved into the Herzog firm's space.

The young trader was John Herzog, an avowed collector of antique stocks and bonds, having begun this new hobby in 1959, and in 1977, his charming wife Diana joined the firm. One day, Diana fielded a call from another collector, which led to Smythe's positioning itself as a dealer, and soon after this, Smythe began publishing a magazine called *Friends of Financial History*. As the number of collectors and dealers expanded, Smythe held a collectors' bourse and auction in historic Fraunces Tavern in 1980, and then created the delightful Strasburg show in 1983.

In 1985 Smythe acquired NASCA, and spent the next twenty years expanding their auction and dealing activities, becoming well known for numerous specialties, including Confederate currency, stocks and bonds, obsolete currency, Colonial and Continental issues, autographs, coins, and a broad variety of Americana. Mary Herzog joined the firm in 1991, bringing administrative and auction logistics and support to the firm, such as the Strasburg events.

It is hard to distill 40 years of growth and devotion into a short list, but some accomplishments must be noted:

- Publication of *The Price of Liberty* by William G. Anderson, cataloging, for the first time, Revolutionary War finance documents.
- Appointment as exclusive sales agent for the archives of the Penn Central Corporation, a 17-year project.
- Editing and publishing Bob Vlack's *Illustrated History of Advertising Notes*.
- Appointment as auctioneer for portions of the Western Reserve sales.
- In 2005, the appointment to sell the magnificent Herb and Martha Schingoethe Collection of Obsolete Currency. Numbering around 30,000 notes, this remarkable series of sales ended June 25th [2009] with the 18th and final installment of this landmark group.
- The 2005 sale of the Mintz Collection.
- The 2005 publication of Pierre Fricke's breakthrough *Collecting Confederate Paper Money*.
- The 2007 sale of the Meyer Collection of Confederate Currency and Bonds.
- The 2007 publication of the Hewitt book on Minnesota Paper Money.

The Herzogs have accomplished all these things while guiding the firm through three office moves, the loss to the hobby of the inimitable Douglas Ball, the shattering experience of being trapped in 26 Broadway during 9/11, and most recently, although less well known, driving the opening of a world class institution, the Museum of American Finance, at 48 Wall Street in the Financial District in New York. They have been friends to and supporters of the hobby in so many ways, from Diana's Presidency of the Manuscript Society, to creating and supporting a unique stock and bond event that is still missed and beloved by all its participants, nurturing then-obscure but now established facets of the hobby, all driven by an abiding vision of the importance of, and many ways in which, the hobby can be enjoyed.

In mid-2007, after 40 years of ownership and management, the Herzogs reluctantly faced the inevitable juncture several issues familiar to family-owned business, and on March 18th, 2008, sold their beloved R.M. Smythe to Spink & Sons of London, founded in 1666, and the world's oldest auction firm.

Today we honor and thank the Herzog family, Diana, Mary, and of course, John who is here, for the forty plus years of dedication to the hobby.

So far . . .



The President's Column



Dear Fellow Paper Money Lovers:

The Memphis International Paper Money Show has been and gone, and I for one found it, as I always do, a heady and busy experience. My schedule permitted me to fly down on Wednesday [up with the chickens!] but I still did not get around to seeing everybody I wanted to see, get to all the events I wanted to join in on, or inspect the yet-again overwhelming array of exhibits that always grace Memphis.

On the Society front, despite a small scheduling hiccup that our new breakfast venue handled with aplomb, we had a great breakfast. Attendance, despite the "mini-marathon" to get there, was up, and I was struck anew by the camaraderie of our membership, who adjusted to some changes in the schedule, pitched in wherever they could, and were their usual rau-cous and supportive selves as award announcements were made, the Tom Bain Raffle prizes were – ahem – "won," and a tribute to the Herzog family was read, thanking them for all they have done for the hobby during their 40-plus years of ownership and stewardship of R.M. Smythe & Co. Incidentally, the breakfast was a huge success in many ways – an improved breakfast meal for a reduced cost, plus strong advance ticket sales and great response to the raffle ticket sales process.

The Board's annual meeting, held Saturday morning, was a crisp, orderly and productive meeting, as all of the meetings that Benny Bolin has run have been. This one was a little different, because it was Benny's last meeting as President, having "maxed out" after his two terms, and while he promised to finish his portion of it by 9:45 and did, I have enjoyed his presidency, and was sorry to see him close out, as punctual as he was about it. The Society should be glad that Benny is willing to and plans to fill his role of "Immediate Past President" vigorously. I certainly am. Members are encouraged to read the minutes of the meeting. I believe they will confirm that we can be proud of the state of the Society as Benny departs, in terms of its fiscal health [thank you, Bob Moon], its editorial health [thank you, Fred Reed], the expanded plan for regional meetings [thank you Judith Murphy], its publication prospects [thank you, Pierre Fricke and Neil Shafer], its new talent [thank you Shawn Hewitt and Mike Scacci], and its website [thank you, Bob Schreiner].

One of the unfortunate duties we had at the Board meeting was acceptance of Bob Cochran's resignation as a Governor. Life Member #69, he is not only a long-time member, but has served the organization tirelessly over many long years, including serving as President. His interests are those of the true collector, and we wish him only the best going forward. His departure, coming shortly after the annual election, left us, potentially, short one Governor for a while. However, the by-laws permit appointment of replacements, and the Society is the beneficiary in this case of the willing support of Larry Schuffman. Larry is a long-time collector of many things paper, and is particularly well known as a passionate fan

of U.S. bond issues; in particular, the developing and very interesting field of Liberty Loans. He was the SPMC's speaker at our general membership meeting in 2008, and did a very nice job of making concise sense out of what for many of us, is a new field. And, like our other two new Governors, he has jumped right in.

At our general membership meeting, Ron Horstman provided a good turnout with a well organized exploration, via 48 images of fiscal paper, of the history of St. Louis. Compressing historical fact, context, and several tales of scalawags into the forty five minutes allotted, you did not need to be interested in "Missoura" to be happy you came to Ron's talk.

During the weekend, the Memphis Coin Club made it official. The big annual paper money collector event of the year, the International Paper Money Show, which we all just call "Memphis," will change stewards beginning in 2010. From the earliest days of its existence, this event has been unique. Founded on the novel principle that the pursuit of paper money and other ephemera could actually stand separate and apart from the collecting of coins as a hobby unto itself, it broke ground. The idea that such an event, held in a sweltering hot town, in the middle of the summer, could attract and sustain a thriving annual following? Pure madness. The event became legend and has been a draw for every conceivable type of dealer and collector, from all parts of the globe.

Not all good things must necessarily come to an end, but the show is an annual event, and an unceasing labor. To survive, responsibility eventually had to be passed on. That torch has now been handed over to Lyn Knight. Lyn has not been shy about voicing how he feels about the show and its traditions, and it seems as if the show could not have found a better home to honor its past and protect its future in a spirit true to its core.

While Mike has been "the front man" for the annual effort that drove Memphis, he has always had a group of supportive and friendly faces who make the event work, from the prep and planning to arrangements at the hotel, from contracts and payments to readying the room and to the 4 o'clock stampede on Thursday. And that is just the beginning. The ongoing arrival of the public, public announcements, help at the front desk, security, exhibits, it is endless. Mike and his gang have accomplished and accommodated tirelessly all these years, and deserve a round of applause for all they have done.

Well, it is now official; the Society has a new president. In last issue's "President's Column" I promised to outline some topics for the future when and if in the job. As promised to the Board, I intend to spend a little time consulting with each of the Governors between now and the end of the summer, before solidifying an agenda, but you as members should be assured that there is plenty of energy and there are plenty of ideas in the works.

In closing, let me remind you that the Governors keep the value of the Society to you the members at the forefront. We are always interested in hearing from our members on any topics as may interest and engage them. And, with some new players in place, it seems timely to hear what may be your minds.

Sincerely,

Mark



\$\$ money mart

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INTERESTED IN BUYING MISMATCHED serial number notes--with 2 or more numbers mismatched. Also, any information about mismatched serial numbers of this type is appreciated. Kevin Lonergan, Box 4234, Hamden, CT 06514 (262)

Wanted: Pre-1900 Notes from Liberia, Africa. Please email to mikej251@aol.com or write Michael S. Jones, PO Box 380129, Murdock, FL 33938-0129 (262)

WANT TO BUY Small Size Type I \$5.00 National Currency from the first National Bank of Hoopeston, Ill. Charter no. 2808. Large Size \$10.00 (1902-1908) Date Back from the Hoopeston National Bank of Hoopeston, Ill Charter no. 9425 and small size notes from The First National Bank of Milford, Ill Charter no. 5149. Write to Mike Fink, P.O. Box 177, Hoopeston, Ill. 60942 (261)

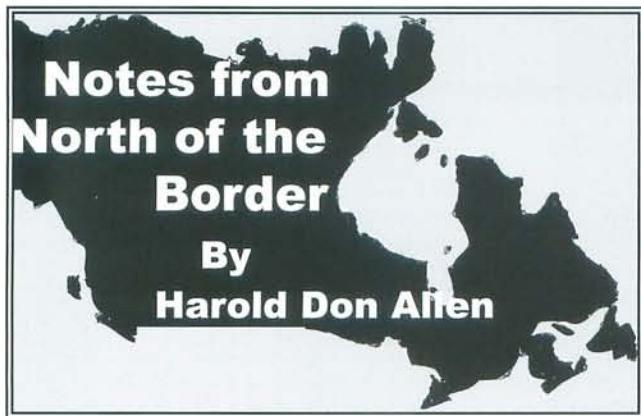
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WILDCAT BANKS OF WAYNE COUNTY (Ohio), 80 pages, \$30 postpaid. Raymond E. Leisy, 450 N. Bever St., Wooster, Ohio 44691 (A)

WANTED: Notes from the State Bank of Indiana, Bank of the State of Indiana, and related documents, reports, and other items. Write with description (include photocopy if possible) first. Wendell Wolka, PO Box 1211, Greenwood, IN 46142 (264)

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Searching out note lookalikes can be satisfying

BUILDING A TRULY SATISFYING COLLECTION, whatever the specific goals, tends to be essentially an open-ended process. The collection itself, at each stage, can and should be looked upon as a work in progress.

In our field, such purposeful collecting might broadly sample notes of the world, or else focus on a single region or country, or security printer, or time interval, or broadly defined collecting theme. Further "specialization" might be on a single series, or even be restricted to one issue and denomination.

I can identify with much of that. For some years, while also collecting broadly, I hunted (primarily in dealer stock), ultimately successfully, the 80 signature and prefix varieties of the moss-green Bank of Canada \$1 of World War II vintage, the King George VI portrait note with which I had grown up.

Others have found similar challenge and appeal in that exquisite piece of American engraving, the Aztec Calendar Stone 1 peso, as produced for El Banco de Mexico over roughly the same interval. Even more collectors, I suspect, have experienced the pleasure of such concentrated acquisition in ranges of America's George Washington \$1, reduced size, of 1928, 1934, 1935 ... and still counting.

Collecting interests, sometimes highly individual interests, often can be viewed as reflections of positive experiences and unforeseen opportunities. My predisposition for Irish notes of the last generation traces to memorable contacts and revelations in museums and banks of Dublin and Belfast. My continuing commitment to latter-day Canadian chartered bank currency ("small chartered") dates from big-city branch-bank interactions back when such notes had remained obtainable at face, and from subsequent "coin store" visits when, for whatever reason, supply of much such material still exceeded demand.

You sense what I mean.

Now, the very "look" of money calls out for attention, an observation that can prove relevant in rather diverse situations. Accordingly, one of my favorite currency folders consists of "far-out" economic items whose existence is rooted in that truth. Over a lifetime of seeking and organizing such paper money look-alikes, you can, believe me, come up with quite remarkable finds.

What sorts of items might have been thought to have profited from a paper money resemblance? A full range of scrip, certainly:

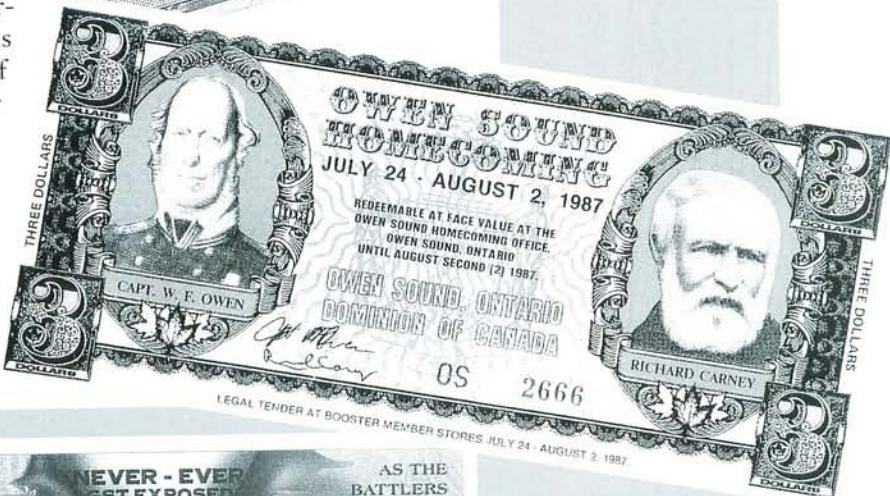
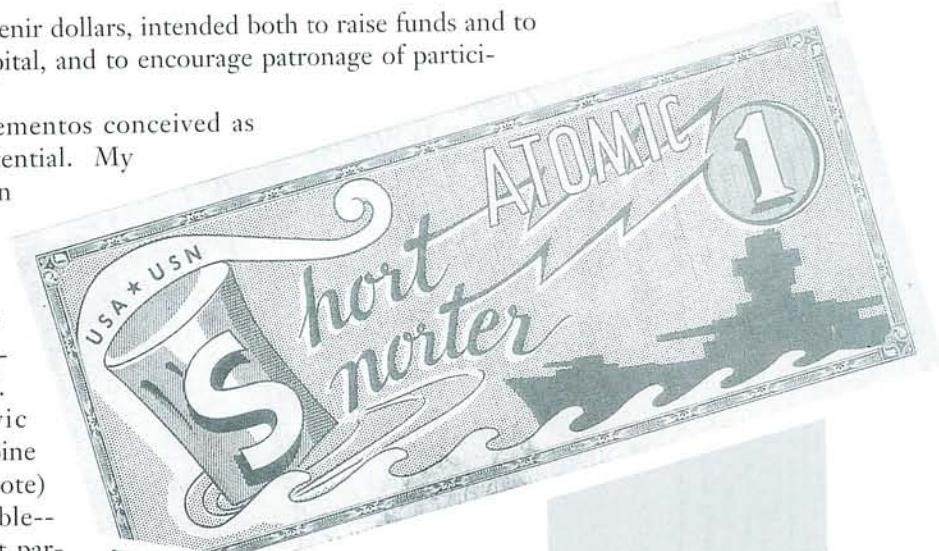
- In-store money, cents-off coupons, gift certificates, mail-order refunds.
- Advertising and other studiously attention-grabbing materials, from upscale admission vouchers, to raffle tickets, to military safe-conduct passes.
- Political items at election time (an Australian specialty), voting issues often lending themselves to depiction in fiscal form.
- Educational and training items, from math-lesson "school money" to automatic teller (ATM) demonstration notes, to national currency-conversion schemes (e.g. France, dropping zeros; New Zealand, dollars replacing pounds).

- "Old Home Week" souvenir dollars, intended both to raise funds and to promote awareness, to raise capital, and to encourage patronage of participating merchants.

- Sundry "monetary" mementos conceived as possessing "short snorter" potential. My favorite in this category is an "Atomic Short Snorter" from Joint Task Force I dating from when you might have found Bikini in a large atlas, but its subsequent dictionary usage had yet to be coined.

- "Trade dollars," civic mementos, which seek to combine the look of money (coin or note) with a claim to being spendable--albeit only temporarily and "at participating merchants." Such items have been popular in parts of Canada in recent years. For our purposes, two collectible "paper" examples can suffice.

- "Legal Tender at Booster Member Stores," reads a 1987 "Owen Sound Homecoming" \$3 scrip item from the Great Lakes, Ontario community. Fairly typically, the "note"



depicts two of the settlement's founding fathers. An error note? Conceivably. The serial number prefix is "OS," for Owen Sound, and a sharp eye will spot that the letter "S" is upside-down:

A further "trade" item carries the resemblance to real money a bit further. The Spirit Shinplaster--"good for 25 cents in trade"--is from Manitou Concession, Good Spirit Lake Provincial Park, Saskatchewan, and takes its shape, size, and principal graphics from the Dominion of Canada third-issue 25-cent note of 1923. No, not the horned "spirit" with trident, though now that I think of it, a symbolic Britannia with trident did feature on the corresponding legal-tender note.

Such trade items often represent the best efforts of local job printers. Careful scrutiny may reveal, however, that such job printing may be on steel-engraved bank note company stock forms.

- "Customer loyalty" plans that employ in-store scrip to "reward" purchases by offering redemption on or toward future cash transactions, have a long tradition, and can spin off interesting memorabilia. When such plans are well marketed and regional or national in scope, significant impact on spending habits may ensue.

Representatively, the "Sel Spar Dukaat" (fast-track ducat) reward money of Blokker, a Dutch household-goods chain, features an image of traditional gold coinage, and comes with a catalogue of diverse merchandise which one saves up for more rapidly if a designated portion of the purchase price is in current-year *snelspaar* "paper gold."

Even now, computer technology has to be making significant inroads into such paper releases, "smart cards" and elaborate "point" systems (think "air miles") encroaching on the distinctive, often attractive, "parallel currencies" of more traditional "incentive" systems.

Considerable imagination has gone into the design and marketing of the best of, broadly, gift certificates. Greyhound Lines, in its Canadian operations, has come up with colorful "bones"--a greyhound's notion of well-backed currency, I gather and par-dollar for purchases of shipping and transportation. Here too, however, smart-card technology may be finding a niche.

- "Gift cards," often with the client able to stipulate an exact amount, can be seen to be replacing the gift certificates, vouchers, bonds, and tokens of days of yore.

- "Corporate money," on occasion, can serve to recapture the values and practices of former times. A "Sears, Roebuck and Co." refund check for 24 cents (the printed amount), "returnable on any order," or else, as a bearer check, cashable on a Kansas City trust company ... is just old enough to lack the magnetic ink digits of more recent fiscal items.

- As to instructional currency, which as a teacher I have hunted, quite an array of metal, plastic, and paper items have served to teach "money" to young children in earlier grades, and "work on cash" in commercial and business colleges of yesteryear.

Among my favorite such items is military money, a \$50 Pineland Federal Reserve Note, Series A, "printed as part of US Army Field Training Exercise Gobbler Woods."

Strong arguments can be put forward for "buying the book before the coin" (or note). My suggestion here, however, is that far-out items for which no "ready reference" may exist, can represent a different, often disconcertingly international, numismatic challenge.

In collecting and investigating such "far-out" material, I know that I continue to find good fun.



☆ ☆ ☆ About Nationals Mostly ☆ ☆ ☆
By Frank Clark

Add a FR1225 Gold Certificate to your collection

FRIEDBERG 1225s ARE VERY POPULAR WITH collectors, and one reason is that you can get a \$10,000 Gold Certificate for less than face value because all known notes have been cancelled in one form or another. Also, there is the story of a fire at the then "new" Washington, DC Post Office at 12th and Pennsylvania on Friday December 13, 1935. During this event, many government records were tossed out of the sixth floor windows and into the street below.

Among the records were several hundred examples of FR1225s. Many onlookers picked the notes up and took them home. This is the explanation behind why many are found with moisture stains and a few with charring. This fire is mentioned with frequency in auction catalogs and in fact it has become part of numismatic lore. Therefore I wanted to read more about that fiery incident.

Newspaper accounts of the day tell us that this was one of the most unusual fires in the history of Washington, DC. The first alarm was turned in shortly after midnight. The fire started in a large filing room on the sixth floor that was crammed full of flammable material. The fire then spread to other similar filing rooms. Hoses had to be hauled into fifth floor windows with the help of ropes and then they were dragged through the corridors and up the stairs to the sixth floor.

These filing rooms were locked, therefore axes and crowbars were employed to break the doors down. Eventually, the fire would go to five alarms and fire departments from as far away as Virginia and Maryland responded. The filing rooms lacked sprinkler systems and ventilation. Therefore, walls and floors had to be breached to let the smoke out. Also, there was a lack of gas masks and this resulted in 41 firemen being overcome with smoke and taken to the hospital. Luckily, all of them would recover.



A crowd of several thousand assembled in the street below. Files of the General Accounting Office, plus files from other government agencies were thrown out of windows (the sixth floor only had windows along one side), in order to deny the fire future fuel. This is when the Series 1900 cancelled \$10,000 Gold Certificates rained down on the lucky onlookers and eventually into the numismatic community.

Three different inquiries held hearings on the fire. These were quickly started up within a couple of days of the conflagration. President Franklin Roosevelt chimed in that he was shocked that Federal buildings were not under the jurisdiction of local fire departments. Congress would take swift action to correct this oversight. Also, it was reported that the fire damage was estimated at \$300,000. The first theory of how the fire started was that an electric "drop" light had been resting on a large stack of papers and its 100 watt bulb caught the papers on fire.

However, Secretary of the Interior Harold L. Ickes reported on December 27, 1935, that the fire was caused by a lighted cigarette or cigar.

The Friedberg reference has only one number (#1225) for these despite the fact that there are eight known Treasury signature combinations. The Chambliss-Hessler (CH) reference takes a different approach and has assigned a number for each signature combination (1560-67). Even within these eight numbers there are several varieties that include different issue dates and other more minor differences. The Chambliss-Hessler numbering system is shown in the box.

It is interesting to note that due to the short length that Register of the Treasury James C. Napier and Treasurer of the United States Carmi A. Thompson served together (11/22/1912 - 03/31/1913) that their signature combination does not appear on this design. Also, another interesting fact is that there are not any serial numbers recorded for CH 1565 which had a printing of a mere 6,000 notes.

There are two major census for United States large size paper money. The Gengerke Census has recorded 361 Friedberg 1225s and the Track & Price Census has recorded 380 as of this writing. It is estimated that 80% of the FR1225s are of the Teehee-Burke signature variety (CH 1567). CH 1566 and 1567 are the notes that were made

payable to the Federal Reserve Board, and later they were roulette cancelled through the portrait with "Payable to the Treasurer of the U.S. or a Federal Reserve Bank."

This article concentrates on the scarcer FR1225s (CH 1560-65) that were issued before the creation of the Federal Reserve Board in December 1913. They were payable to large national banks with New York City and Philadelphia being the two most popular locations. The national bank's name and city could be either hand-written, rubber stamped, or typed-in. The example that accompanies this article (CH 1562) was payable to the Farmers & Mechanics National Bank of Philadelphia. This example does not have any water staining, but it does look like it was folded into fourths and carried in a wallet for some time as a quarter panel does show soiling.

It also has the typical cancellations for the earlier FR1225s. These cancellations consist of small round and trefoil holes plus a one half-moon cancel. The cancellations from note to note are all pretty similar in their locations. The half-moon is the largest cancel and was always planted in the portrait area. If you are interested in acquiring one of these, look for a note that does not have part of President Jackson's face removed due to the cancellation process. Since these notes carry the name of a national bank, you can add one or more of these fascinating Gold Certificates to your National Bank Note collection.

Special thanks to Karl Kabelac for his help.

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SPMC 2009 Memphis Board Meeting Memphis, TN June 27, 2009

Present: Benny Bolin, Mark Anderson, Judith Murphy, Rob Kravitz, Bob Vandevender, Neil Shafer, Bob Moon, Larry Schuffman, Shawn Hewitt, Pierre Fricke, Mike Scacci, Wendell Wolka

Appointed Members: Frank Clark, Jeff Bruggeman, Ron Horstman, Bob Schreiner,

Members absent: Jamie Yakes, Bob Cochran, Matt Jantzen

Pre-Meeting presentation: Dennis Schafluetzel gave a very informative presentation on doing seminars/meetings using remote video. This is a technology that could be used to provide speakers for upcoming regional meetings. The board will continue the discussion related to this use.

Call to Order: President Bolin called the meeting to order at 8:00 a.m.

Minutes of last meeting: The minutes of the St. Louis 2008 meeting had been previously distributed and were approved as written.

New board member election: In the absence of the secretary, VP Anderson cast a lone voice vote to re-elect governors Anderson and Wolka and new governors Scacci and Hewitt.

Recognition of outgoing governor: Judith Murphy was recognized for her service to the board and awarded the traditional Peter Maverick card for her service. President Bolin also announced that he had three presidential awards of merit to give out. The first was to Tom Denly for being a collector advocate, for his recruitment efforts, and for his general support of the hobby. The other two were given to Judith Murphy and Mark Anderson for their service to the society and for their support, advice and efforts assisting the president during his tenure. Note—President Bolin, also a governor who will move to the past president's office was also awarded a "Maverick" card in a private ceremony in his home before Memphis.

Secretary's Report: The pre-submitted report from the secretary was read and accepted.

Recruitment Report: The membership report was pre-submitted and discussed by membership chairman Frank Clark. Our membership numbers remain steady. Frank reported that he was out of membership cards and showed a new card he would like to have printed. Mr. Schriener reported he had a lot of the current cards. However, due to the current cards having the date as 19__, it was decided to have Frank print 2000 of the new cards with the date 20__. The card design was praised and Frank related that it was designed by SPMC member and Dallas Coin Club member, Kathy Lawrence. The board thanks Kathy for her work. A motion to authorize the new card purchase was made by Bob Moon and second by Judith Murphy. It passed unanimously.

Treasurers Report: Treasurer Moon gave a short treasurer's report. Due to the fiscal year ending at the end of the month, a full report will be distributed in early July. The society is very sound financially with current balances around \$260,000 with large portions in the life membership fund, Wismer fund, Liana fund and Daniel funds, all of which are designated by the board for specific uses. While advertising revenue fell off by about \$2,000 this year, dues increased by about \$2,500. President Bolin asked Mr. Moon if he would work with the editor to publish a year-end financial report in the earliest pos-

sible issue of *Paper Money* specifically detailing those funds that are not for general use as well as the general overall financial health of the society. Mr. Moon also reported that he was almost caught up with all the IRS paperwork they have requested and we are in compliance with their desires. The board was reminded that Treasurer Moon was awarded the Founder's award for his hard work in keeping the society fiscally sound in this time of economic challenge and for his work with the IRS.

Editor's Report: Editor Reed reported on his pre-submitted report and stated his views on economizing production of the Society journal. A discussion ensued, after which the President appointed board member Schuffman to assist in exploring alternatives.

Membership terms: A discussion was held related to membership terms. The current set-up is that all members are on a Jan-Dec membership year. If a new member joins after January, they are afforded the back issues of *Paper Money* and then renew in January. The desire of many has been for the membership year to be based on a calendar year from when a new member joins. The editor and secretary have endorsed this. A motion by Judith Murphy, seconded by Bob Moon and approved unanimously was made to begin the new system in January.

Regional Meetings: Judith Murphy gave an update on regional meeting and distributed a list of shows and a list of shows proposed for SPMC regional meetings. She also proposed utilizing up to \$5,000 for 2009-2010 expenses related to regional meetings including but not limited to travel/lodging of speakers/coordinators, refreshments, etc. A motion was made by Mr. Anderson and seconded by Mr. Fricke to allow such expenditure. Ms. Murphy stated that very strict accounting for these expenditures would be kept and examined yearly by the board, an idea that was endorsed by the President.

Educational Committee Report: Ron Horstman gave an update on the research grants the society has awarded. All grants have been fulfilled and completed. A new request for a new grant for \$1,000 for Peter Huntoon's ongoing research at the Smithsonian was approved by the committee. Mr. Horstman also inquired about the by-law changes alluded to in the St. Louis minutes and how they would be available to the general members. President Bolin asked Mr. Schriener, the SPMC webmaster if he could so do and he will add these to the website when a copy is sent to him.

SPMC Breakfast/Tom Bain Raffle: A report on the breakfast and raffle was given. It was a highly successful event, in light of logistical challenges. Approximately 85 people attended with sixteen pre-paid no-shows. Due to the lower cost of the meal, the society did not lose money on the breakfast this year. Also, the raffle raised \$1,320. All told, the breakfast and raffle raised approximately \$2,833 and cost approximately \$1,803. It was noted that due to the logistical challenges the staff faced, we increased the service fee by \$150 and tipped the most helpful staff member and additional \$50. Many positive things were said by attendees about the change in venue and menu.

Book Proposal: Neil Shafer presented the board with a proposal to publish a book related to panic scrip of 1893, 1907 and 1914. This will be deferred to the new Wismer committee when they are appointed within the next 90 days by the new president.

Website update: Webmaster Schreiner was in attendance

and received accolades and thanks for a job well done in maintaining the society's website.

Higgins Museum seminar: The board was reminded about the upcoming seminar at the Higgins museum for which the SPMC is a co-sponsor. Members are encouraged to attend if possible.

Non-Profit Organization: Judith Murphy proposed joining the North Carolina chapter of the National Council of Non-Profits in order to keep updated on laws, rules, challenges, etc. facing non-profit organizations like ours. By joining, we will be able to obtain information on a regular basis as well as attend their educational seminar. The cost is \$185/year. A motion by Wendell Wolka and seconded by Neil Shafer was approved unanimously.

Grading proposal: Robert Vandevender presented his pre-submitted proposal to start a grading certification program for the society. Discussion was held and while all felt education in this area is necessary, there was much concern related to liability if we actually "certify" people as competent to grade. The item will be discussed further with more focus on the education rather than certification of people.

Election of Officers: The election of officers was held. Judith Murphy nominated Mark Anderson for president and it was seconded by Neil Shafer. Mr. Anderson was elected unanimously and accepted the nomination. No nominations for VP were entered as President Anderson asked for 60-90 days to talk to all the board and seek out the most appropriate candidate for the office. This was endorsed by the board. Jamie Yakes was nominated for secretary by Bob Vandevender and seconded by Pierre Fricke; Bob Moon was nominated for treasurer by Wendell Wolka and seconded by Judith Murphy. Both were elected unanimously.

Resignation of Governor Cochran: Past-president Bolin reported that governor Cochran had been in contact with him and due to his health, he was resigning his governorship. President Anderson appointed Larry Schuffman to fill Mr. Cochran's seat and serve out his term.

Adjourn: The meeting was adjourned by President Anderson at 10:00 a.m. ♦

SPMC

Memphis 2009 Awards

Nathan Gold Lifetime Achievement Award

John and Diana Herzog

Founders Award

Bob Moon

Nathan Goldstein Award (for recruiting)

Jason Bradford

Forrest Daniel Award for Literary Excellence

Peter Huntoon

Wismer Award (best book)

Pierre Fricke

Collecting Confederate Money—Field Edition

Literary Awards of Merit (Wismer runners-up)

Ed and Joanne Dauer

Australian History 1901-2001 As Seen Through Banknotes

Johann Kodnar and Norbert Kunstner

Catalog of Austrian Banknotes Since 1900

Richard Doty

America's Money, America's Story, 2nd ed.

Awards of Merit

Tom Denly

Mark Anderson

Judith Murphy

Literary Awards (for best articles in *Paper Money*): **Banking & Finance:**

first, Fred Reed, *Did Lincoln's Image on Money Affect His Public Perception? Part II*; runnerup, Michael McNeil, *The Pros and Cons of Self-Publication*;

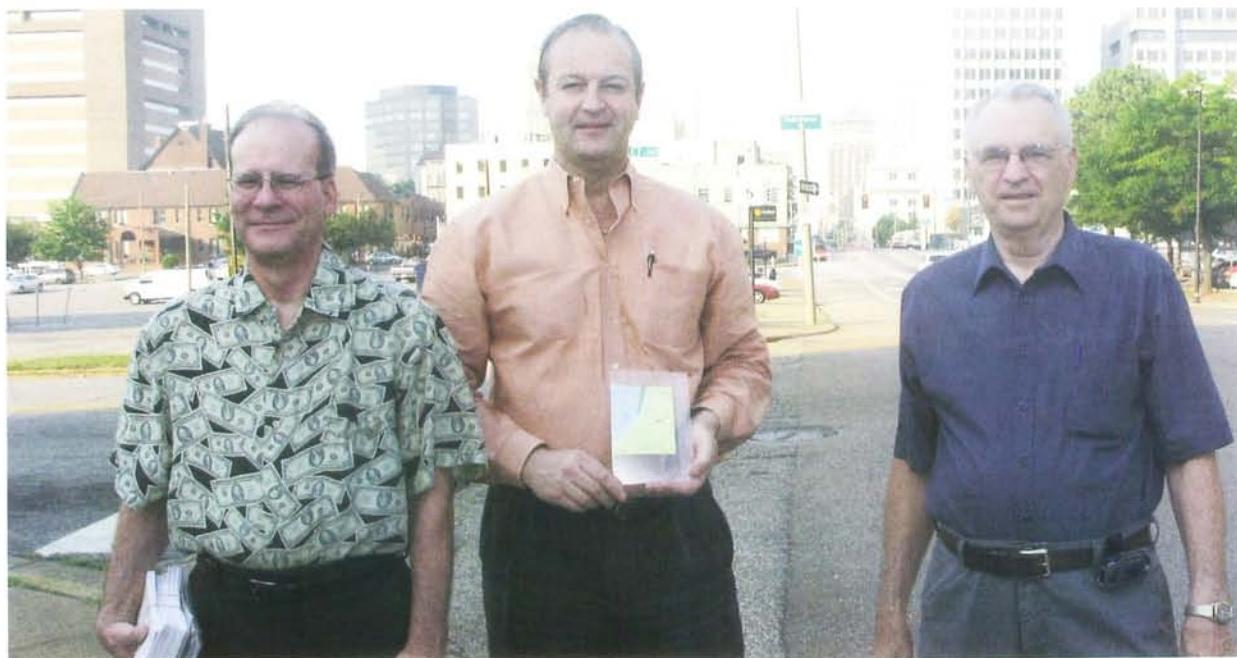
Confederate/Obsoletes: first Steve Feller, *A Survey of Nearly 1000 Type 64 CSA \$500 Notes*; runnersup, George Tremmel, *CSA Monetary Panic of 1862, One Bank Customer's Experience*; James F. Morgan, *A Civil War Sidelight: Confederate Notes Back Cherokee Scrip*; **Federal Currency:** first, Barbara Bither, *Picturing President Lincoln*; runnerup: Franklin Noll & Gene Hessler, *Chronological Inventory of U.S. Public Debt Issues, 1777-1898*;

Foreign: Donn Perlman, *Operation Bernhard Notes*; runnerup, Peter Huntoon, *Low Number Italian Allied Military Currency*; **Nationals:** first, Keith Littlefield, *The Conway, Gordon and Garnett National Bank*, runnerup Matt Hansen, *Uncovering the Mystery of Nebraska's Wood River Hoard*; **Small size U.S.:** first, R. Logan Talks, *The \$100,000 Errand: Banking in 1941 Washington, DC*; runnerup, Derek Moffitt, *Bank Signatures on Small-Size Federal Reserve Bank Notes*.

Exhibit Awards: Best in show, John Jackson, *United States Interest Bearing Notes*; Honorable Mention, Jerry Fochtman, *Fractional Satirical Notes*; Benny Bolin, *Fractional Currency Payable, Look-a-like and Mimics*; Julian Blanchard Award, John Jackson

Scene at Memphis

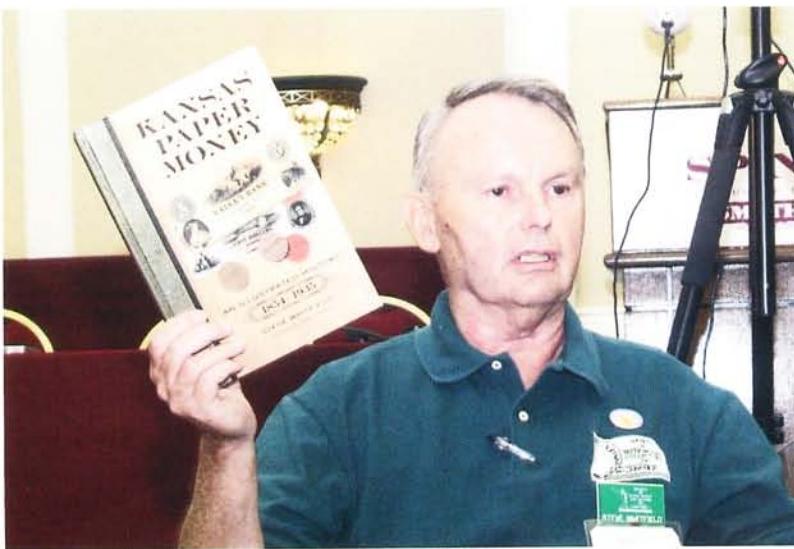
Photographs by Robert Van Ryzin, *Bank Note Reporter*

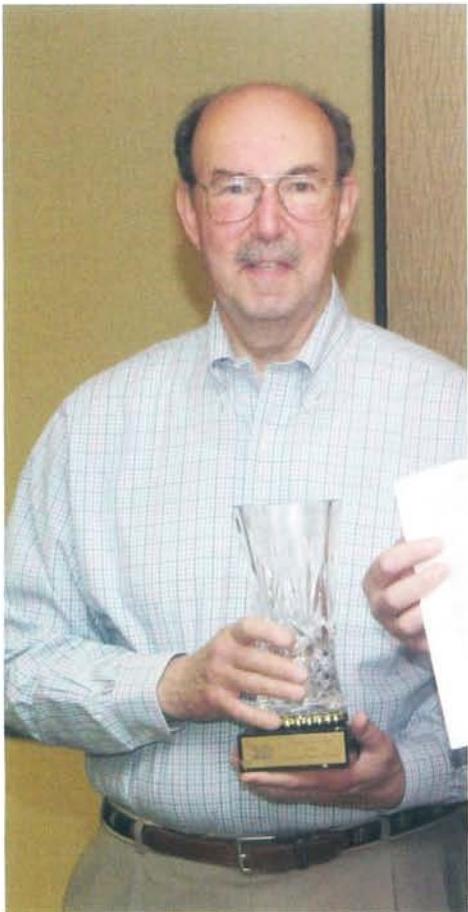


SPMC members found time around visits to the Memphis Paper Money Show bourse and auction sessions for camaraderie, breakfasts, meetings, awards and chit chat. At top, Frank Clark, Mark Anderson, and Lee Quast assist breakfast attendees crossing the street to the new location. Above, emcee Wendell Wolka presents Jason Bradford our Nathan Goldstein outstanding recruiter award. At right, similarly gifted were Wismer winner Pierre Fricke, and Founder's Award honoree Bob Moon.

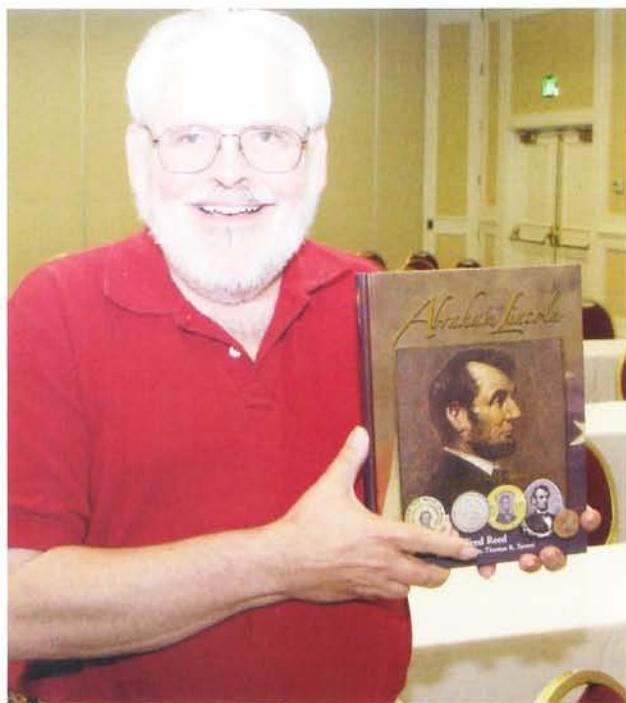


Above, incoming President Mark Anderson handed Best of Show Exhibit Winner John Jackson his award. Right, he also presented outgoing Society chief executive Benny Bolin his exhibit award. While below, Steve Whitfield proudly shows off his new book *Kansas Paper Money* to attendees at the Society's 6th Annual Author's Forum.





Above, Robert Van Ryzin, editor of *Bank Note Reporter*, presents the publication's "Most Inspirational" exhibit award to Steve Whitfield (seated). Left, John Herzog shows off his Nathan Gold Lifetime Achievement Award. Below, Fred Reed displays his new book *Abraham Lincoln, the Image of His Greatness*.



An Invitation from

The NEW HAMPSHIRE CURRENCY STUDY Project

Q. DAVID BOWERS and DAVID M. SUNDMAN are involved in a long-term project to describe the history of all currency issued in the State of New Hampshire, as well as to compile a detailed registry of all known notes (whether for sale or not). Our area of interest ranges from issues of The Province of New Hampshire, The Colony of New Hampshire, the State of New Hampshire (1709-1780), issues of the New Hampshire state-chartered banks (1792-1866), and National Bank Notes issued by New Hampshire banks (1863-1935). This will result in a book under the imprimatur of the Society of Paper Money Collectors, with help from the New Hampshire Historical Society, the Smithsonian Institution, and others.

Apart from the above, David M. Sundman is President of Littleton Coin Company, and Q. David Bowers is Co-Chairman of Stack's Rare Coins. For other commercial transactions and business, contact them at their firms directly.



The authors of the present book, holding a rare Series of 1902 \$10 National Bank Note from West Derry, New Hampshire.



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If you have New Hampshire currency, old records, photographic images or correspondence relating to the same, or other items of historical interest, please contact us at the address below, or send us an e-mail at info@nhcurrency.com. Both of us are avid collectors and welcome offers of items for sale. We will pay strong prices for items we need.

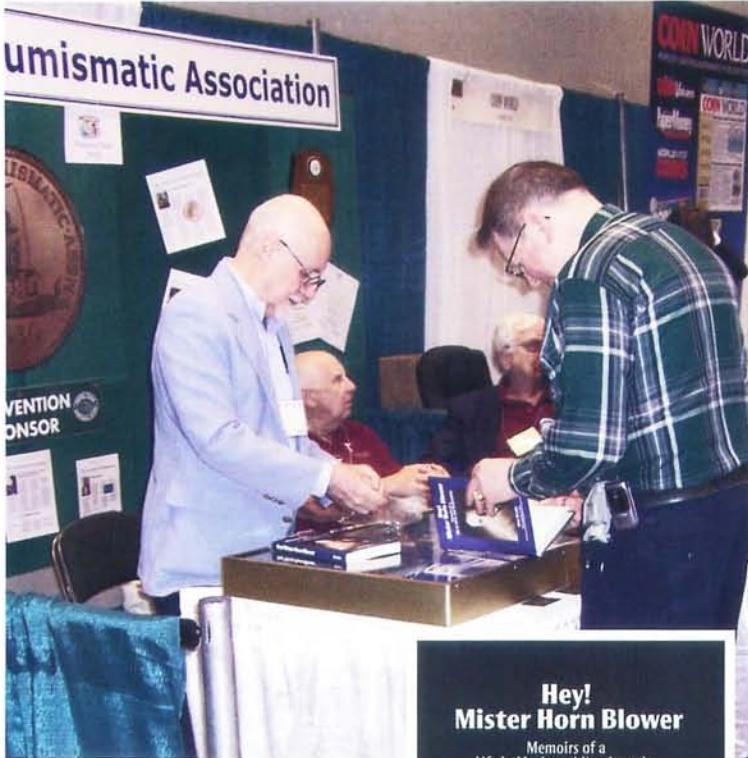
Visit the NH Currency Study Project website: www.nhcurrency.com. Find a listing of New Hampshire banks that issued currency, read sample chapters, and more.

We look forward to hearing from you!

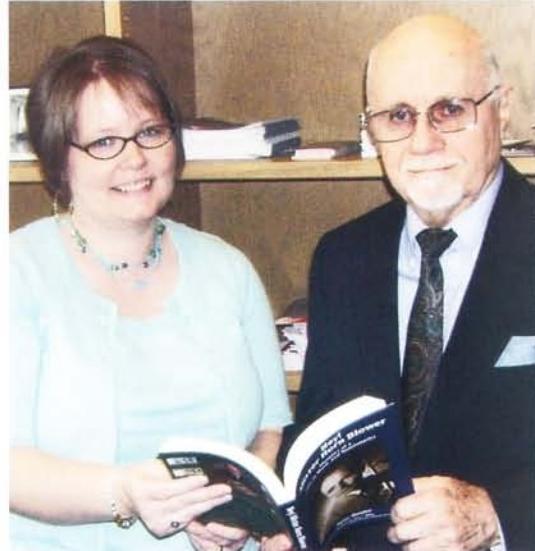
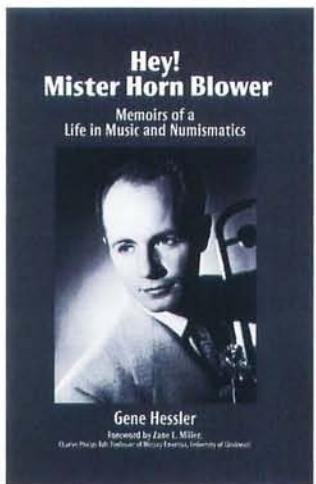
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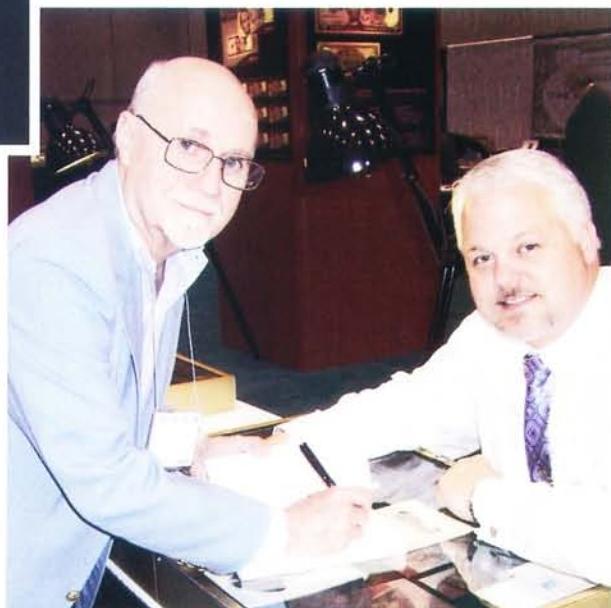
Gene Hessler's autobiography *Hey! Mr. Hornblower* proves popular at book signings



Below, Dick and Eileen Seifert turned out for Hessler's book signing at the Mt. Healthy Historical Society, in a suburb of Cincinnati where Gene was born. Available in both soft and hard covers, inquiries can be addressed to the author at engraversline@aol.com.



Former *Paper Money* Editor Gene Hessler's new autobiography *Hey! Mr. Hornblower*, which was reviewed in our May/June issue, has proved a hit at recent book signings. At left, Gene affixes his signature to Joe Boling's copy at the recent Central States Numismatic Society Convention in Cincinnati. Above, Hessler presents a copy to Melissa Norris, Director of Library Communications at the University of Cincinnati, his alma mater. Below, the author signs a book for Chris Madden, Chief Engraver at the Bureau of Engraving and Printing.



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Mrs. H. R. Ellsworth, National Bank President

By Karl Sanford Kabelac

MOLINE, KANSAS IS A SMALL COMMUNITY IN Elk County, a farming area in southeastern Kansas. It was founded in 1879 and is said to have been named by a salesman from the John Deere Company of Moline, Illinois. In 1910 Moline had a population of 808 and the county a population of about 10,000.

The Moline National Bank was found in 1906, a conversion of the Moline State Bank. It received charter number 8369. The first president was Oliver S. Stevens, a native of Maine. He died a decade later on May 12, 1916 at the age of 80.

He was succeeded as president by Mrs. H. R. (Elizabeth) Ellsworth, the widow of Herbert Ryan Ellsworth. Mr. Ellsworth, before his death on August 16, 1913, had been a Moline businessman, and a director and vice president of the bank.

Presumably because of her ownership in the bank, Mrs. Ellsworth became the president at Mr. Stevens' death. She served until 1922/23 when E. A. Chaffin, who had been the national bank's cashier since its founding, assumed the presidency.

Mrs. Ellsworth died at her home in Moline on Sunday afternoon, March 12, 1933, at the age of 83. She had resided

in the community for almost 50 years. No mention of her bank presidency was made in the obituary, but it did speak of her keen interest in community and national affairs and her mental alertness, dignity and refinement. The couple's only child, a daughter, had died as a teenager in 1895.

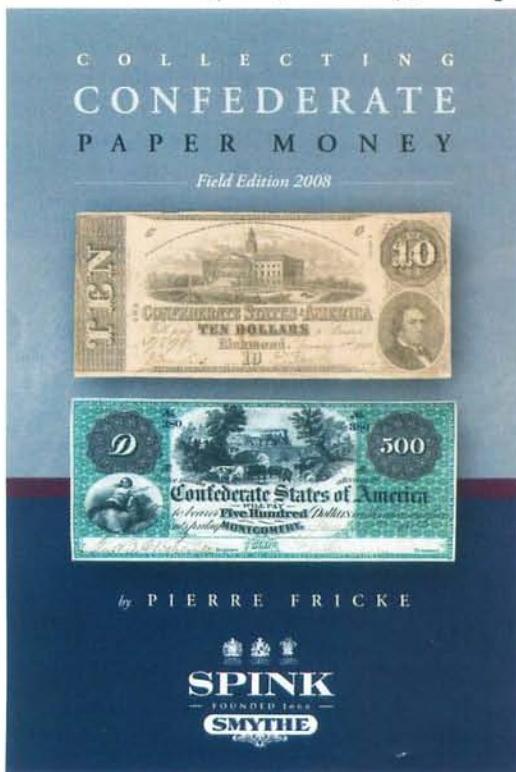
The bank, unfortunately, closed on Monday, April 12, 1926. Fearing a run on the bank if it opened that day, the directors decided to suspend the bank and place it in the hands of bank examiners.

The local newspaper hoped the failure would not "be so bad as many fear even if it is not so good as others hope." But that was rather optimistic, for the bank did not reopen and its affairs were not completely settled until 1931.

Sources

Biographical sketches of Herbert R. Ellsworth and Edward A Chaffin are found in *Kansas, a Cyclopedic of State History* (1912), vol. 3, part 1. An obituary for Oliver S. Stevens is found in *The Moline Advance* for May 18, 1916; one for H. R. Ellsworth in the issue for August 21, 1913; and, one for Mrs. Elizabeth Ellsworth in the issue for March 16, 1933. The closing of the bank is noted in the same newspaper for April 15 and April 22, 1926. ♦

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Five speak at 6th Annual SPMC Author's Forum

ABOUT TWO DOZEN SPMC MEMBERS HEARD A publisher and four authors discuss the current state of numismatic publishing and their most recent books at the Sixth Annual SPMC Author's Forum, held during the recent Memphis International Paper Money Show.

SPMC President Benny Bolin welcomed guests and attendees to the event, which is unique in the hobby.

The event was conceived by then

SPMC Librarian Bob Schreiner and *Paper Money* Editor Fred Reed as a resource forum for new authors seeking publication and as an outlet for published authors to bring their new titles before a prospective audience.

"Welcome to our 6th Annual SPMC Author's Forum," the SPMC President said. "This forum was conceived as a way for authors and prospective authors of paper money books to exchange ideas, 'tricks of the trade,' and form mutual support on the long road between conception and publication of a worthwhile book."

"This Forum, in tandem with our Society's George W. Wait Memorial Prize which supports research of book length paper money projects, is part of SPMC's outreach to hobbyists in support of numismatic education," he noted.

"Our Author's Forum is unique in the hobby. We invite all prospective authors and others interested in paper money books to attend and participate in this event," he continued. "This year's presenters' works cover a wide diversity of paper money topics, so you should find something of interest to you. All presenters are experienced and well known in the hobby, so I'm sure you will benefit from their talks. Stick

around to meet & greet our panel," Bolin said.

Emcee for the event again this year was Wendell Wolka, who introduced panel members (whose bios and topics are detailed here), and who moderated a lively give-and-take discussion during the forum.

SPMC is chartered "to promote, stimulate, and advance the study of paper money and other financial documents in all their branches, along educational, historical and scientific lines." One of the ways we do this is this annual Author's Forum and our George W. Wait Memorial Prize, available annually to assist researchers engaged in important research leading to publication of book length works in the paper money field.

George W. Wait, a founder and former SPMC President, was instrumental in launching the Society's successful publishing program. The George W. Wait Memorial Prize is established to memorialize his achievements/contributions to this field in perpetuity.

Up to \$500 is awarded annually in unrestricted research grant(s). The Official

Prize Announcement, including rules and deadlines, is published annually in our Nov/Dec issue. Look for it in our next issue of *Paper Money*. Winners, who included one of this year's speakers, Matt Janzen for *Wisconsin National Bank Note Census*, are announced in our June/July issue. ♦



Dennis Tucker

Dennis Tucker (publisher, Whitman Publishing, LLC) is an active collector of coins, tokens, and medals, who also enjoys studying paper money. He serves on the board of the TAMS. His professional background is in corporate and nonprofit communications, marketing, public relations, and publishing. Paper-money books published under his tenure at Whitman include *A Guide Book of United States Paper Money* (Friedberg & Friedberg), *100 Greatest American Currency Notes* (Bowers & Sundman), *A Guide Book of Southern States Currency* (Shull), *Obsolete Paper Money* (Bowers), and *A Guide Book of Counterfeit Confederate Currency* (Tremmel). Dennis's illustrated

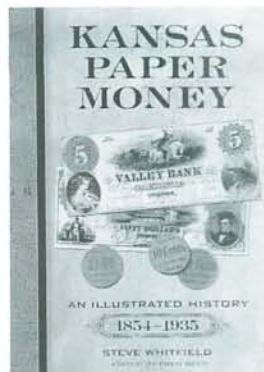


presentation showed a behind-the-scenes look at the making of Whitman's new title *Abraham Lincoln, the Image of His Greatness*, and its reception within the hobby, and in popular book selling and scholarly communities.

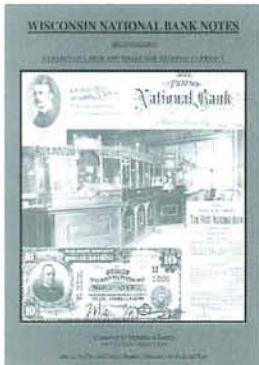


Steve Whitfield

Vietnam veteran, professional civil engineer, and retired Colonel in the U.S. Army, Steve Whitfield has been a board member and SPMC Wismer book chairman for many years. Author of a regular column "It Occurs to Me . . ." in *Paper Money*, Whitfield breathes new life into his 1980 SPMC Kansas book in his new title *Kansas Paper Money: An Illustrated History, 1854-1935*. Nearly 400 illustrations of notes, banks and bankers, merchants and town scenes are arranged within the economic periods that caused their issuance, to describe in considerable detail the economic history of the state. This differs from the usual method of cataloging and



describing paper money and scrip issues alphabetically by city or town of issue. Whitfield's book also includes depression scrip, college notes, coal and advertising items, and cardboard tokens of Kansas.



Matt Janzen

SPMC board member Matt Janzen is employed by the Wisconsin Department of Commerce. His numismatic pursuits began with coin collecting at an early age. As an adult, interest shifted to paper money and eventually, national bank notes. The appeal of finding hometown notes fueled the collecting passion. The need for determining note rarity provided an impetus to compile census data. The past dozen years has afforded several opportunities through direct observations and personal contacts to add to the database. His research won an SPMC George W. Wait Award, and resulted in the publication of *Wisconsin National Bank Notes*

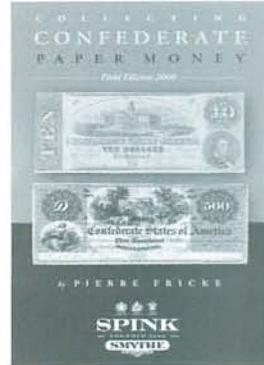


with more than 11,000 survivors identified. Current collecting interest is small size WI nationals by charter, denomination & type, and of course, adding to the Wisconsin national bank note database.



Pierre Fricke

Pierre Fricke has been a collector since 1969, first specializing in early large cents by variety, and then Bust halves. In 2001 he began collecting Confederate paper. Pierre wrote the acclaimed *Collecting Confederate Paper Money – Comprehensive Edition* (2005) and *Collecting Confederate Paper Money – Field Edition* (2008). Now he explained his vision for extending his book series to include interim deposit receipts and future titles. He expands the Confederate fiscal paper series with two new projects *History of Collecting Confederate Paper Money* and *Confederate Depository Receipts and Exchange Certificates* (the "IDR" book) - both well underway; the latter, co-authored with George Tremmel and Marty Davis. Fricke expects the "IDR" book to be published next year, and the history book after that. Other books will be developed over the next decade.



Fred Reed

SPMC board member, former secretary and *Paper Money* Editor Fred Reed is a columnist for *Bank Note Reporter*, *Coin World* and *Coins* magazine. He is also the author or editor of more than a dozen numismatic books, including the NLG "Best Book" on tokens and medals (1996) and on worldwide paper money (2005). Reed is also the editor of Ron Benice's award-winning Florida obsoletes book (2008), and Steve Whitfield's excellent new book on Kansas paper money (2009). Reed's new book on Abraham Lincoln combines a half century fascination with Old Abe, and wide collecting experience from a mid-1950s cent collection down



to more sophisticated Lincolniana in recent years. The book is both a tribute to Lincoln's bicentennial, and a serious study of the effects of numismatic representations on the changing image of Abe in the broader context. ♦

Mike Jenkins nails sci-fi prop note

by Fred Reed

SOME READERS ARE AWARE, A COUPLE OF YEARS AGO I wrote a book on entertainment prop money, entitled *Show Me the Money! The Standard Catalog of Motion Picture, Television, Stage and Advertising Prop Money* (McFarland, 2005). The book was undertaken as something of a lark. Actually it started off as a project for a "special" topical issue of *Paper Money*. I thought it might fill thirty pages or so. By the time I finished cataloging the notes, however, it had grown to an 800-page, 8½ x 11-inch, hard cover book with about two thousand illustrations. I viewed something like 1,200 movies in the research. The book records the history of these money lookalikes over a period of a century, and catalogs about 1,800 varieties. McFarland, a reference book and popular culture publisher in North Carolina, was interested in publishing the book. They did a fantastic job, and ultimately the book sold several copies and won the Numismatic Literary Guild "Book of the Year" Award in the worldwide paper money category, and an exhibit a Memphis award.

The book weighs a ton, but I lugged one to present to well known paper money dealer Rob Kravitz at the recent Memphis International Paper Money Show. He'd paid for the book quiet a while back, and had waited patiently for me to "get on the ball." I wrote him a nice salutation in the front of the book for all his trouble. Rob, who is well known for his dedication to fractional currency, was all excited because he'd just recently viewed an old western and spied a large size fractional currency facsimile note on top of a pile of bills in one of the movie's scenes. "It was a second issue fractional that had been blown up to the size of a saddle blanket note!" Rob exclaimed. So much for period realism, but the prop note was right up his alley, and although he forgot which movie, he'd nailed the note type -- which by the way is uncataloged in my book.

Good eyes Rob. Hope you enjoy the book! However, I'll promise to offer quicker service to future purchasers of the book!

Another of my readers, Mike Jenkins, experienced a similar epiphany recently, when he nailed the use of a known note type, "Reed W10. W.G. Bailey, Series 2017." In 2005 I wrote: "This and the succeeding notes have many similar features to several other series of movie prop notes listed in this catalog. All have the familiar UNITED WE STAND // DIVIDED WE FALL seal at left, and the Dove seal at right. However, unlike the other series listed, the Dove is flying downward this time. All are odd-sized. All are printed in the same color, face and back. Most are signed by W.G. Bailey. All have a series number at bottom center. And all have currency-ruled borders. None state their use as motion picture prop money, but it is believed that is what they are."



Movie prop notes of the type illustrated appear in several scenes of *Soylent Green* (Metro-Goldwin-Mayer, 1973.)



Enter Mike Jenkins, who wrote me recently:

Dear Fred,

"The short version is this: I believe I've matched your "unidentified" prop notes W10 (page 746) to the currency in the film *Soylent Green*. Please have a look-see and see if you agree." -- *Mike Jenkins*

Mike sent me a scene link to the film, accompanying his email. Readers of a certain age will recall that *Soylent Green* (a processed plankton wafer recycling bodies killed by the state) was a futuristic calamity film, which developed a cult following after its release in 1973. Starring Charlton Heston, Edward G. Robinson, Leigh Taylor Young, Joseph Cotten, and Chuck Connors, the sci-fi thriller explored a murder mystery set in a bleak Malthusian future where greenhouse global warming and over-population have made living in New York City a nightmare by the year 2022. Violent street life characterized a degenerating civilization caught in a chilling future, where "scoops" literally harvested masses of citizens queued up for food distribution. Cash showed up in several scenes in film, which was directed by Oscar-winner Richard Fleischer (*The Vikings*, *Compulsion*, *20,000 Leagues Under the Sea*, *Fantastic Voyage*, *Conan the Destroyer*, *Tora Tora Tora*, *The Boston Strangler* and dozens more motion pictures). *Soylent Green* won several science fiction entertainment and writing awards.

I replied in part:

Hi Mike,

"You have a sharp eye. I do believe you are right. I'll file your email and the picture in the book, and if ever (?) I get a chance to update the book. We'll add this information. . . . I presume you are aware that they plan to film a new version of *Soylent Green*." -- *Fred*

Mike wrote back:

Thanks, Fred.

"It's really a miracle I ID'ed them at all. I figured I'd just flip through the catalog and see if anything looked familiar. Someone online had asked about the *Soylent Green* police ID, and offhandedly mentioned the money. Someone took that screen capture I sent. I'll send some more screen captures, too." -- *Mike*

The screen captures shown were provided by Mike. The note illustration is from my catalog. What have you seen on the silver screen lately? Tell me! ♦



Today's Ruminations

WHILE STUDYING MY LAST ISSUE OF PM, THE one with the catalog of Connecticut scrip, I got curious about the differences in redemption clauses. In looking at the Civil War issues only, there seems to be three types of these clauses that basically tell the holder how and where to exchange the piece of scrip he holds into something of value. A fourth type has no clause and really says "this note is money." They were issued in several different financial formats, such as drafts, checks or as post notes.

Redemption restrictions: Most of these scrip pieces state that they were "Payable on Demand" (amount; 5 cents, 10 cents, etc.), only when presented in sums of \$1, \$5, even dollars etc., at some particular location. In order to redeem the notes one had to gather up a lot of them, which helped to insure that many of them would never be redeemed.

Redemption of Civil War Small Change Scrip: what you could get for the note.

Type A -- Payable in current funds. Current funds would have been anything being used and generally accepted as money locally, such as banknotes, U.S. Treasury notes, municipal scrip or specie.

Type B -- Payable in current bank notes, or bills. Current bank



It occurs to me...

Steve Whitfield

notes would have been paper notes issued by solvent, chartered or private banks from anywhere.

Type C -- Payable "in merchandise" (some times spelled "merchandize," sic) "in goods or services;" also acceptable in payment of taxes.

Type D -- No Redemption Clause. Amount only on the note; "On Demand", which means "This is five cents, a dime," etc. for example. No instructions for redemption on the note; this type was often issued by local banks.

Scrip Financial Formats:

Type I -- Check format; payable to the bearer, in sums of even dollars at the bank of the issuer. Standard forms were sold by banks to issuers. The issuer only had to pay (face value) for these from the bank; sign and issue them to the public. The bank would thus have the funds for redemption of notes presented to them. Note, "Pay (individual name); or bearer" obligations are scarce.

Type II -- Draft format; drawn on whatever entity was obligated, or had agreed to, redeem the notes; not necessarily a bank. Funds for redemption could be drawn from remote locations where the issuer had money or goods.

Type III -- Post note format. Payable at, or after, a future date after the issue date (Scarce) (Funds are not available right now but will be after the specified date.)

Type IV -- Demand note format. "Payable on demand;" may appear on types I and II above.

Often printed locally by print shops and newspapers on flimsy paper stock, many scrip notes did not last long in circulation. The small face value of the minor denominations was probably not worth going to a lot of trouble to keep track of.

It was fun fooling with these. That's what I like about this hobby. There is always something to pique my interest.

Thanks John and Gary for your informative listing. ♦

The Editor's Notebook

Fred L. Reed III
fred@spmc.org

10 Years and counting . . .

THIS ISSUE MARKS THE END OF MY TENTH YEAR as your Editor . . . my 60th issue. I thank the Board and all of you for the honor of serving you in this capacity. Because of it I've had the opportunity to make a goodly number of friends and share the success of a great many authors in presenting their research and ideas to our diverse membership in a hopefully informative and entertaining way. No publication such as *Paper Money* succeeds without the support of a great many authors, advertisers, and active readers. The magazine itself is nearly 50 years old and we've enjoyed a string of fine editors during that time, so many thanks to them, too, especially to longtime caretakers Barbara Mueller and Gene Hessler for growing this publication into the going concern that I inherited late last century.

Now is NOT the time to stand on our laurels. Even though I don't have the empty in-basket that haunts many specialty publication editors, I am ALWAYS on the look out for new authors, fresh approaches, excellent research and writing to present to our membership in these pages. The fact is that there is room in *Paper Money* for writers of all stripes, experience levels, interests and specialties. I'll quote briefly from a portion of my annual Editor's Report that I recently filed with our Board: "The material on hand is plentiful, but much of it is from the same authors we are used to seeing in the magazine. Attracting new authors is a must. Short features are especially desirable, and always difficult to find."

Please don't misunderstand what I am saying. The writers who habitually appear in these pages are among the best this hobby has to offer. I both write for and read the various publications. Thus I am in a position to know well how fortunate SPMC members are for the time and effort our authors put into selflessly sharing their stories here. Dozens of them have written for us in the past year, and if I may speak for the Society as a whole, "we thank you all."

However the likes of a Steve Whitfield, a Gene Hessler, a Peter Huntoon, or a Harold Don Allen (to name just four veteran authors who regularly contribute to these pages) did not spring forth fully grown from the brow of Zeus. Like your editor, all have been writing for hobby publications for many decades honing their skills, but all had to start out on that long journey somewhere. I know I have readers out there right now who have unique contributions they could make to our hobby IF ONLY they'd DO IT. It's been a good ten years at this helm. Ten years from now who will be the new limelights who have sprung onto the hobby scene in these pages, providing us with new insights, new information, and new enjoyment in this hobby we share? Will it be you? Time will surely tell. ♦

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